#### DOCUMENT RESUME

ED 303 252 PS 017 759

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TITLE Where's My Home? A Study of Missouri's Children in

Out-of-Home Placement.

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Jefferson City.

SPONS AGENCY Edna McConnell Clark Foundation, New York, N.Y.;

Institute of Applied Research, St. Louis, MO.

PUB DATE Jan 89
NOTE 82p.

PUB TYPE Reports - Research/Technica' (143)

EDRS PRICE MF01/PC04 Plus Postage.

DESCRIPTORS Data Interpretation; Family Programs; \*Foster Care;

\*Foster Children; Prediction; Prevention; \*Program

Costs; Public Agencies; Trend Analysis

IDENTIFIERS Missouri; Multiple Entry; Placement (foster care)

#### ABSTRACT

This study examines the use and cost of out-of-home placement for children who live away from their families in the state of Missouri. It was found that during the study period of fiscal year 1985 through fiscal year 1988: (1) an average of 12,321 children were in placement outside their homes annually; (2) the number of children placed in restrictive settings increased; (3) younger children were placed outside their homes more frequently than were older children; (4) the number of children reentering out-of-home placement increased; (5) children under Division of Family Services supervision moved frequently from placement to placement; (6) the majority of children placed spent more than one year separated from their families; (7) the total annual cost for one year of out-of-home placement ranged from \$11,424 to \$93,075; (8) the cost for residential and hospital placement for children increased rapidly; (9) Missouri's public agencies spent \$82.4 million to place children outside their homes in fiscal year 1988; (10) Missouri could spend an additional \$46 million by 1993 for out-of-home placement; (11) conservative inflationary growth estimates for placement costs indicaté à \$17 million increase by 1993; (12) an additional 1,100 children are expected to be in placement by 1993. Related materials are appended. (RJC)

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A Study of Missouri's Children in Out-of-Home Placement January, 1989

# Where's My Home?

# A Study of Missouri's Children in Out-of-Home Placement

# prepared by CITIZENS FOR MISSOURI'S CHILDREN

in cooperation with
DEPARTMENT OF MENTAL HEALTH
Division of Comprehensive Psychiatric Services
and
DEPARTMENT OF SOCIAL SERVICES
Division of Family Services
Division of Youth Services

with assistance from
THE INSTITUTE OF APPLIED RESEARCH
St. Louis, Missouri

through a grant from
THE EDNA McCONNELL CLARK FOUNDATION



#### Dear Missourians,

One of the most critical issues facing Missouri's children is how to effectively avert the unnecessary or inappropriate placement of children into foster and residential care.

We have examined the use and cost of out-of-home placement in Missouri because the Department of Social Services and the Department of Mental Health are responsible for both the prevention of placement and reunification of children with their families.

This examination resulted in a study which presents a compelling case for Missouri to pursue strategies to use out-of-home placement only when it is essential to protect children from imminent danger of harm or for whom it is necessary to provide a treatment setting.

This study represents the commitment of our public agencies and our state children's advocacy organization to build an integrated system for the prevention of unnecessary placement of children outside their homes. In the Future Directions Chapter, we have outlined the collaborative as well as the efforts of each agency, to prevent placerent.

We ask you to join with us to protect and care for our state's children to ensure that every child has a permanent and stable family.

Sincerely,

Michael V. Reagen, Ph.D.

Director,

Department of Social Services

Keith Schafer, Ph.D.

Director,

Department of Mental Health

Phyllis A. Rozansky

Executive Director,

Citizens for Missouri's Children



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#### **ACKNOWLEDGEMENTS**

Publishing a study of this magnitude represents a significant undertaking. CMC is very grateful to all those who gave their time, energy and support to produce this study, especially the following individuals:

For collecting the data on children:

Department of Social Services, Division of Data Processing - Richard Koon, Tim Hull and Tom Rice;

Division of Family Services - Dick Matt;

Division of Youth Services - Thelma Gilpin, Mary Sue Schueler;

Department of Mental Health - Jim Davis.

For reviewing the data and the study draft:

Division of Family Services Director - Paula Willmarth and Deputy Director Melody Emmert;

Division of Youth Services - Deputy Director Vicki Weimholt;

Division of Comprehensive Psychiatric Services - Linda Roebuck, Director of Children's Services;

Center for the Study of Social Policy - Dr. Charles Gershenson and Frank Farrow.

For designing the front cover:

Loretta Sebourn and Mary Louise Rozansky

For compiling the data and proofreading the study:

Citizens for Missouri's Children staff: Rita Bohn and Laurie Johnson, and graduate students Dottie Dimiduk and Joy Zimmerman.

Thank you.

Phyllis A. Rozansky, Author, Citizens for Missouri's Children



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#### INTRODUCTION

This study is about the more than 12,000 children who are living away from their families every year under the supervision of Missouri's public agencies. For the first time in Missouri, this study has examined the use and cost of out-of-home placement.

The purpose of the study is to analyze the trends in the number of children being placed outside their homes, how long children are separated from their families and what the costs of providing placement services for them are. With the use of trend data, we have attempted to understand the system over time as well as to make projections into the future.

This study did not look at the services the children and their families receive. It did not look at why some families receive services and others do not. Very little is known about the children who are removed from their homes, about their families and the criteria for removing them.

The agencies included in the study are the Department of Social Services' Division of Family Services and Division of Youth Services and the Department of Mental Health's Division of Comprehensive Psychiatric Services. Excluded from this study are children who are in juvenile court homes and facilities, DMH programs for the mentally retarded, voluntary placements by parents into private psychiatric facilities and foster homes where neither DMH nor DFS is involved. The number of children served in these programs is unknown.

The information presented throughout the study on the children in placement and the expenditures by the agencies is based on the Missouri state fiscal year, which is July 1 through June 30. Use and cost data were collected for FY85 through FY88. Projections were made for FY88 through FY93.

Data was collected from each of the public agencies. In most instances, the data are actual amounts. In other instances, estimates were made for prior years based on current years, such as for Medicaid expenses per child. Universal definitions were used across agencies. All data presented in the study were reviewed by the public agencies. Few Comparisons were made with national data because of differences in definitions.

More information is provided on DFS than the other two agencies because this agency serves 84 percent of all children placed outside their homes.

As with most studies, some questions were answered while others surfaced. This study is to be of use by all citizens, be they advocates, legislators, professionals or agency officials.



## **EXECUTIVE SUMMARY**

#### **Study Findings**

#### CHILDREN IN OUT-OF-HOME PLACEMENT

Finding: An average of 12,321 children are in placement outside their homes annually in Missouri.

During the four-year study period from FY85-88, the Division of Family Services and Youth Services under the Department of Social Services and the Division of Comprehensive Psychiatric Services under the Department of Mental Health had 12,321 children in placement annually. This number is the total unduplicated count of children placed regardless of whether the child had one or more entries into the placement system during the year.

Eighty-four percent of children placed are under the supervision of the Division of Family Services. The number of children in placement decreased by 3.6% under DFS and increased by 2.3% under DYS and 28% under DMH.

Finding: Increasing numbers of Missouri's children are being placed in more restrictive settings.

All agencies demonstrated a growth in the use of more structured, restrictive and costly settings for placing children. The average number of children served per month in residential treatment facilities under DFS increased 33% from FY85-88 while the average number of children in foster family care decreased by 11%. Under DYS, the number of youths served in the Regional Youth Centers increased by 15%. The number of children served in DMH Residential Care increased by 58% and by 21% in Inpatient facilities.

Finding: Younger children are placed outside their homes more frequently than older children.

The age of children at the time of placement varies across the agencies, in part because of statutory restrictions on the eligibility for service. DYS services begin at age twelve and DMH at age five. Forty-seven percent or 4,831 children who are placed by DFS are under six years of age. Over two-thirds of the children served by DYS and DMH are over thirteen years of age.

Finding: The number of children who are re-entering out-of-home placement is increasing across all agencies.

DFS had over 2500 children re-entering placement, representing 25% of the children in placement. This means that one out of every four children who is entering placement had been placed outside their homes before. This does not include children



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who are simply moving from one foster home to another or to a residential center. The number of children re-entering the system increased by 66% from FY85-88.

DYS had the second highest re-entry rate at 12% and DMH had the lowest reentry rate at 3.5%. These two agencies also demonstrated a percentage increase of children re-entering the placement system, but at lower levels than DFS.

Finding: Children under DFS supervision move frequently from placement to placement.

Once children have entered the out-of-home system under DFS, one out of three move from one placement type to another within a year. There are two types of moves which occur for children. First, children move from one type of placement to another, e.g., foster home, to residential. In Y88, 25% of the children moved once from one type to another while 6% were in three or more types of placement. Second, children also moved within a single type of placement. One out of three children in foster homes moved at least once during FY88. Nine percent of the children moved two or more times during the year. Combining they moves indicates that 70% of the children move at least once during the year.

Finding: The majority of children placed spend more than one year separated from their families.

In FY88, 60% of all DFS children spent more than one year in placement. In DMH Residential Care, 70% of the children spent more than one year in placement. The average placement length for all DYS programs is seven months or less. The average length of stay combined for all DYS programs increased from 5.2 months in FY85 to 6.5 months in FY88.

## THE COST OF OUT-OF-HOME PLACEMENT

Finding: Missouri's public agencies spent \$82.4 million to place children outside their homes in FY88.

The costs for placement services is increasing every year due to the additional number of children being placed in more structured residential centers and hospital facilities and to a lesser extent because of vendor rate increases. The DFS share of the expenditures were \$58.4 million or 71% compared to 18% for DMH and 11% for DYS.

Finding: The total annual cost for one year of out-of-home placement ranges from \$11,424 to \$93,075.

The total cost of placement for children includes vendor payment and agencies' cost but does not include juvenile court and private agency expenses above the state payment. One year of DFS family foster care costs \$11,424. The annual cost of residential placement across the three agencies is approximately \$27,000 per child. DMH Inpatient has the highest annual cost at \$93,075 per child. These three types of care equal a daily cost of \$31, \$74 and \$255 respectively.

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# Findings: The cost for residential and hospital placement for children increased rapidly between FY85-88

Of all placement types, DFS Residential Care at 87% had the greatest cost increase during the study period. This is followed by DMH Residential Care at 84% and Inpatient at 61%. The average increase for the DYS programs was 29%. DFS Foster Care program costs increased by 10%.

#### FUTURE PROJECTION ON THE USE AND COST OF PLACEMENT

Finding: If current placement trends continue, Missouri would spend an additional \$46 million by FY93 for out-of-home placement.

Out-of-home placement costs are projected to increase 56% from \$32 to \$128 million by FY93 if the growth patterns from the past four years continue. The largest dollar increase is projected for DFS at \$25 million, followed by DMH at \$16 million and DYS at \$5 million. The largest projected percentage increase is DMH at 106%, with DYS at 62% and DFS at 42%.

Finding: The projection for a conservative inflationary growth for placement costs by FY93 would be an additional \$17 million.

If DMH, DYS and DFS limit the rate increases and the expansion of the number of children placed, an annual 3.5% inflationary growth rate would result in an additional \$17 million by FY93. Currently, DMH is planning to limit expansion of its residential placements, while DFS and DYS are requesting increases to expand residential programs.

Finding: If current trends continue, an additional 1,100 children are projected to be in residential or institutional placement by 1993.

All three agencies are projected to increase the number of children who will be placed in facilities based on the current trends. In the projections, DFS leads the agencies with an additional 606 children, followed by DMH at 467 children and DYS with eighty-nine youths in Regional Youth Centers. DYS Park Camps and Group Homes projects a combined decrease of thirty-nine youths while DFS Foster Home projects a decrease of 284 children.

## Why it is Important to Prevent Out-of-Home Placement

The shortfalls and hazards of the foster care system are well documented. In the late 1970's foster care became a national scandal in our country. Foster care drift became a common experience for many children. Intended as a short term placement, the foster care system became overused and overloaded. With the federal government providing an entitlement for each child to foster care, state systems had fiscal incentives to place children outside of their homes, Child welfare workers unable to manage the unreasonably high caseloads and confronted with the absence of alternatives used



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foster care as a first rather than a last resort. Missouri was no different than other states in its use of foster care.

The financial and human cost of placement is enormous. As this study reports, Missouri is making a substantial investment in use of out-of-home placement. Yet, the questions remain. For whom does placement become necessary? When is it in the best interest of the child to be separated from his/her family? Public children's services are reactive in nature and design. Consequently, they frequently provide more services after a child is removed from their homes than to avert placement.

Little is documented about the immediate and long range consequences of placement for children. Separation is traumatic for all family members and especially for the children as described by Doug Nelson. "No matter how compelling the reason, children who are moved from their family can be expected to suffer. The known and predictable hardships include dislocation, fear of the unknown, guilt, diminished self-esteem, stigmatization, loss of identity, and exposure to risks from caretakers who have no familial obligations. The adverse consequences for parents and siblings are identifiable as well-loss, humiliation, demoralization, and vulnerability to even greater incapacity in the future."1

There are two categories of reasons to avert the out-of-home placement of children. First, to assure the right of every child to a permanent and stable home as defined in Missouri law (Chapter 453.005).

The second category relates to the impact of the use of out-of-home placements. The shortage of foster homes can result in movements of children from one home to another and less than quality care by inexperienced and poorly equipped foster parents.

The increased use of more restrictive settings has escalated the costs for placement. Growth in out-of-home placement tilts the balance of children's service expenditures to the "backend" of the system. Placement services reach only a small portion of the children but uses the majority of resources. For every one dollar expended to purchase services for abused and neglected children, six dollars are spent to purchase out-of-home placement services for children.

#### **Future Directions For Missouri**

This study is about the use and cost of placement - the past, present and future. Through the use of trend data, this study has examined the out-of-home placement system over time and forecast its future direction. The result is a compelling case for Missouri to pursue aggressively and swiftly a course of action to implement a inter-agency approach to the prevention of placement for the benefit of children, their families and the taxpayers.

An average of 12,321 children are in placement annually in Missouri at a cost of more than \$82 million. The projected cost for future years are staggering, should Missouri not take acon. An additional \$46 million is projected to be needed by FY93 for the agencies.



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Placement can be prevented for some children without subjecting them to the immediate risk of harm by their parents. For children and youth whose problems need intensive treatment, placement can be avoided. Family Preservation Services are a set of intensive services to prevent placement. The goal of FPS is to protect children through enhancing the parents's abilities to care appropriately for their children. FPS staff serving small caseloads (generally two families) are available twenty-four hours a day.

As short-term crisis intervention services, FPS is aimed at stabilizing the crises which put children at imminent risk of being removed from their homes. FPS is not designed to solve or remedy all the family's problems. Therapists assigned to families provide in-home services such as family therapy, parent training, home management and broker for services such as day care or housing. A family's need for immediate financial assistance for medical care, food, rent payment can be met through the program's emergency fund. Services such as day treatment programs, substance abuse counseling and other support services are arranged for the families during FPS and as a follow-up.

FPS are experiencing an enormous surge of growth across the country because of the high, 75% or higher, success rates in preventing placement, and the cost effectiveness compared to placement.

The cost for out-of-home placement far exceeds the FPS cost. In Missouri, one year of residential care is approximately 10 times the cost of FPS. One month's placement in residential care is roughly equivalent to FPS for a family with one child. Foster Family care is four times the cost of FPS or approximately one child's three months in placement.

Financing FPS programs can be achieved without the major investment of new dollars. Funds are needed for start-up expenses but programs can be supported through the re-distribution of dollars saved by the avoidance of placement expenses. For example, a 10% reduction in the number of children in placement under the public agencies would result in a cost avoidance of \$8.4 million. This includes the \$1.7 million in cost to provide FPS to the child's family.

Missouri's Departments of Mental Health and Social Services are making significant first steps to build an integrated system to avert unnecessary and inappropriate placements. Collectively and individually the agencies are launching new projects in communities across the state, developing an inter-agency community prototype for placement prevention, training staff in family based services, evaluating the effectiveness of FPS services and agreeing upon the goals and characteristics of a placement prevention system.

Each agency is pursuing a course of action aimed at placement prevention. DMH and DFS are partners with the Department of Elementary and Secondary Education as sponsors of Families First, a FPS program for abused and neglected with severe emotional disturbance. DMH is expanding Families First this year as is DFS launch-



ing FPS programs in five communities. DYS is pursuing the use of community based resources to avoid residential placement. All in all, the agencies are altering their course to provide an opportunity to each child at imminent risk of placement to receive FPS.

Nothing less than a concerted, committed and comprehensive effort by the state agencies will make a difference for children. The public agencies are not alone in this effort. Missourians, elected officials, professionals, parents and advocates have a responsibility to join, encourage and press the agencies to better serve our children.

# CHAPTER I The Use of Out-of-Home Placement

#### A Youth "Ages Out" of the System: A Case Study

The term permanency had little meaning for Jay. He was passed from relative to relative after his parents were divorced when he was quite young. At age 12, Jay's mother no longer knew where to send him, and so he entered the child welfare system.

Jay's first placement was at a boy's ranch near his father's home in order to plan for reunification. However, Jay's father, who had married again, had little interest in his son. After a year it became evident that reunification with his father would not occur, so Jay moved again. Although foster homes for adolescents are scarce, Jay was fortunate to be placed in a home near his mother.

Barely a year had passed before Jay was again uprooted from this home. This time Jay was expelled from the school district and thus had to move so he could attend another school. This resulted in a change of direction for Jay's life because he was then classified as a "status offender". Jay was placed in the court's shelter care unit.

The next four years of Jay's life saw him in a series of temporary placements in shelters, mental health facilities and group homes for adolescents. In none of his moves, however, did Jay find the permanence he needed.

Jay is now over 18 years old. He is no longer considered a child. He is a classic example of a child who "aged out" of the system, without a family to call his own.



## Trends in the Placement of Missouri's Children Outside Their Homes

Each year thousands of Missouri's children are placed outside their homes under the supervision of public agencies. Children who are abused and neglected, who have serious emotional disturbances, or who are status and criminal offenders are placed outside their homes.

Children are placed in a variety of settings from foster homes to psychiatric hospital facilities. See Appendix I, II and III for a description of the types of placement used by each of the agencies.

During the four year study period of FY85 through FY88 (July 1, 1984 - June 30, 1988), an average of 12,321 children were placed under the care of the Department of Mental Health's Division of Comprehensive Psychiatric Services, the Department of Social Services' Division of Family Services or Division of Youth Services (Figure 1). The total number of children in placement has remained stable over these four years. In effect, there were 106 fewer children in placement in FY88 than in FY85.

Missouri's Children in Placement Total For All Agencies, FY85-88 Percent Change, FY85-88: -1.0% 14 12422 12370 12178 12316 12 T Н 10 0 8 S 6 D S 2 Total DFS DMH DYS 1985 1986 1987 1988 Fiscal Year

Figure 1

What is masked by viewing the total population, however, is significant shifts which occurred between and within agencies. As will be discussed below, certain types of placement increased significantly during these years.

While Missouri's total number of children in placement has not increased, neither has it decreased. In an era of growing emphasis on the unnecessary placement of children, it is of critical concern that Missouri is not decreasing the number of children removed from their homes. Furthermore, the number of children has remained stable, while the agencies' costs during this period have increased nearly \$18 million.

The Division of Family Services served over 10,000 children in out-of-home placement during each of the four years. Figure 2 shows a slight decline of 3.6% over the period. In FY88, DFS served 10,280 children in placements ranging from foster homes to residential facilities. Eighty-three percent of all Missouri children placed are under DFS.

Although the total number of children in DFS out-of-home placement decreased slightly, the number of children served in residential treatment facilities during this period increased. The average number of children in residential facilities per month has increased by 242 or 33%. On the other hand, the number of children served in foster homes decreased by 11%. Since foster children constitute a larger part

**Children in Placement Annually Division of Family Services FY85-88** Percent Char.ge, FY85-88: -3.6% 10 9 6 5 4 470 280 THOUSANDS 8 7 5 3 2 1985 1986 1987 1988 Fiscal Year

Figure 2

of the total placements, these two trends balanced one another in the agency's total number of children served.

The Division of Youth Services had a total of 905 youths in placement in FY88. The three types of placement examined in this study are: Park Camps, Group Homes, and Regional Centers. These programs represent 81% of the DYS youths served. Other programs, n such as the six-week camps and the Community Learning Center, were not included. Figure 3 illustrates a 2.3% increase over 1985, representing an increase of twenty children. The only increase is seen in the population of the Regional Centers. The number of residents of Group Homes and Park Camps actually declined over the four years, 6.6% and 8.6% respectively.

The Department of Mental Health had a total of 1,131 children placed in FY88 (Figure 4). In the four years studied, DMH exceeded the growth rate of the other two agencies with a 28% increase in the number of children served. Four out of every five of these children served are in the Inpatient Program. While the Inpatient Program serves a greater number of children, it was the Residential Care component which increased by 58% over the four years compared to a 21% increase in the Inpatient component.

#### Percentage of Missouri's Children in Out-of-Home Placement

The proportion of children in the Missouri population placed outside their homes during the four-year period was rather stable. An average of 8:38 per 1,000

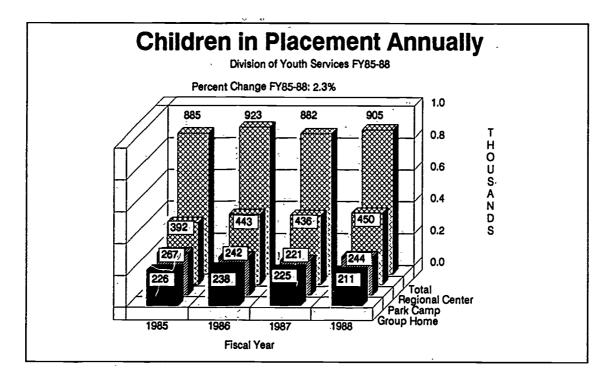


Figure 3



Figure 4

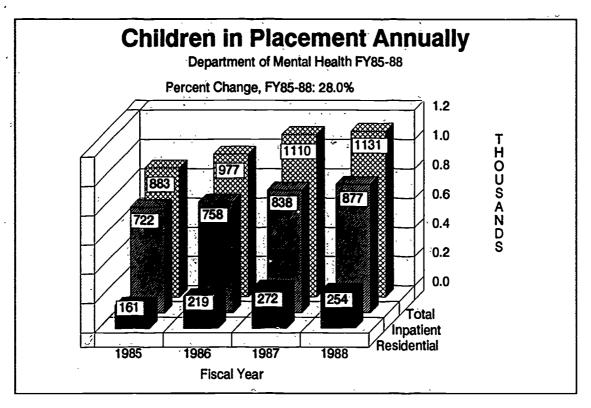
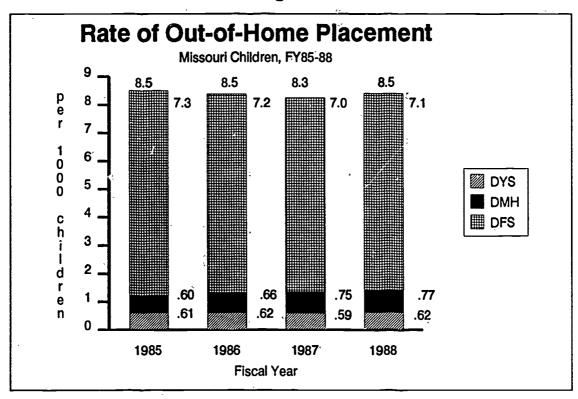


Figure.5





children were in out-of-home placement during the four years, as illustrated in Figure 5. The rate for DFS is 7.1 per 1,000 children. The rate of children placed in each county is available in Appendix IV. The only agency showing any growth in the placement rate was DMH, whose rate increased 28% during the period studied. It is important to note that the computation of the placement rate per thousand is based on the total number of children who were placed outside their homes rather than on a point-in-time rate. This study selected the former computation as the more accurate one because a point-in-time figure only counts the number of children who were actually placed, resulting in an undercount.

Given that the largest number of children are in DFS placement, a comparison of their placement rate was made with the rate of children in the Protective Services caseload serving abused and neglected children (Figure 6). The rate of children in Protective Services increased slightly until FY87, after which the rate decreased to 36.7 per 1000 children. As illustrated, the rate of out-of-home placement did not parallel the increases or decreases in the Protective Services caseload rate.

### **Description of Children Placed by the Agencies**

Little information was available from the agencies on the children living outside their homes. Even less could be assembled for their families. Thus, for purposes of comparing common characteristics, the study collected information on the age, sex and race of children placed during the study period. All in all, there were very few chan-

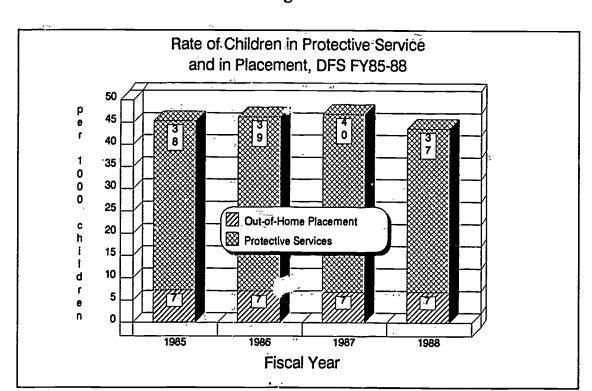


Figure 6

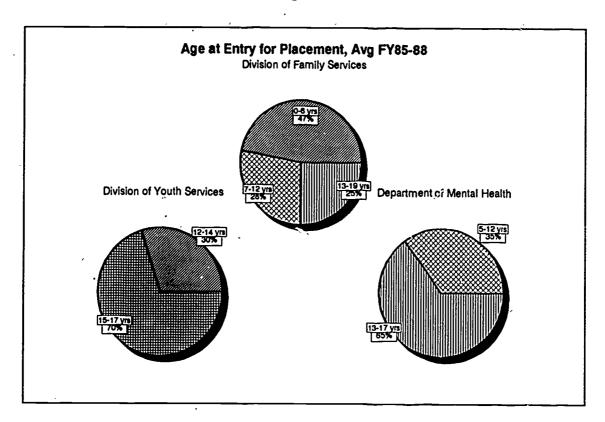
ges over the four years. However, some differences between the agencies did appear, differences which are a function of the unique service mandate of each agency. For example, a difference emerged in the age of the children placed. DFS serves all children under 18 while DMH begins to serve children at age five and DYS begins at age twelve.

AGE. This study examined the age of children at the point of entry into placement rather than the average age while in care, since the use of the latter statistic would result in an older average age due to the length of time the children stay in placement. Figure 7 compares the age of children at entry. The most significant finding here is that nearly one out of every two children entering the DFS placement system is between birth and six years of age. One out of every three children entering DMH is 5-12 years of age. In DYS, slightly fewer than one-third are 12-14 years of age.

The large number of young children entering DFS placement is not characteristic of other state protective service agencies. Nationally, only 35% of the children entering foster care in 1985 were less than six years old. For neighboring states, Kansas and Nebraska had 22% and 25% respectively. A 1987 study in Ohio found that only 26% of the children were under eight years of age.

RACE. The racial composition of children in placement indicates a higher proportion of black children in certain types of placement settings than in others. Figure 8 shows that 31% of the children placed by DFS are black and that 44% of the youths served in the DYS Regional Centers are black. Given that blacks comprise 11%

Figure 7



of the Missouri population, black children are three and four times overrepresented in the placements. The overrepresentation of Black children is not a new issue. It reflects the continued evidence of racial discrimination in society and its institutions. Unfortunately, it also represents the disproportional number of black children who live in poverty and who are more likely to be served in the protective service system. Of the three agencies, DMH served the smallest percentage of black children, with blacks comprising an average of 16% of all those served.

SEX. The distribution of beys and girls placed by each agency varied considerably (Figure 9) and remained very stable for the study period. Of the three agencies, DFS serves boys and girls at the most comparable rate, which is 48% and 52% respectively. This distribution reflects the general population. By contrast, four-fifths of the DYS population and two-thirds of the DMH population were boys. These agencies' populations reflect the greater proportion of male children among troubled youths.

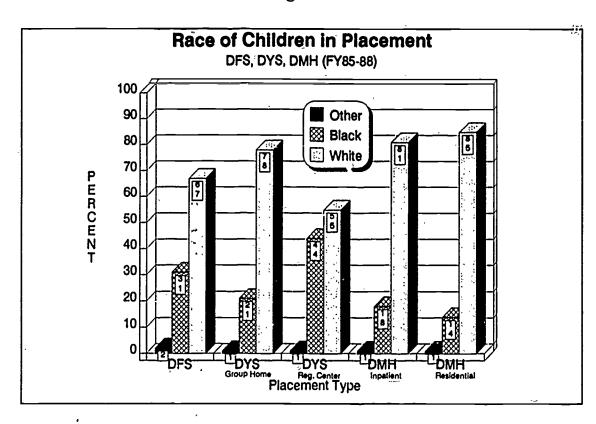


Figure 8

## **Reasons for Placing Children Outside Their Homes**

Each agency uses a checklist to identify the reason why a child is placed. Several agencies may use the same catgegory; for example, DYS and DFS use status offense as a reason for placement. For DMH, a diagnostic classification is the reason for place-

ment. However, these checklists provide very little insight into why a child was removed from his/her home rather than being provided with an alternative, such as in-home services.

Sex of Children by Placement **DFS, DYS, DMH (FY85-88)** 100 Male 90 Female 80 3 70 PERCENT 60 50 40 30 20 10 Agency

Figure 9

Figure 10 describes the reasons for children entering the DFS placement system. The reasons cited for removal from the home remained stable over the years studied. Two out of every three children entered care because of child maltreatment. However, this does not necessarily imply that the children recorded as entering for other reasons were not abused or neglected. Rather, the reason identified may have masked incidents of maltreatment in the past.

By contrast, over half of the youths entering DYS do so because of crimes against property (Figure 11). One out of every five youths enter because of status offenses.

A comparative study of **DMH** and **DFS** children in residential centers found a high degree of similarity between the diagnosis and treatment of the two groups. Fifty-four percent of the children have a primary diagnosis of conduct disorders. Children with the most severe mental illnesses were referred by **DMH**. Children placed in **DMH** enter with a psychiatric diagnosis.



Figure 10

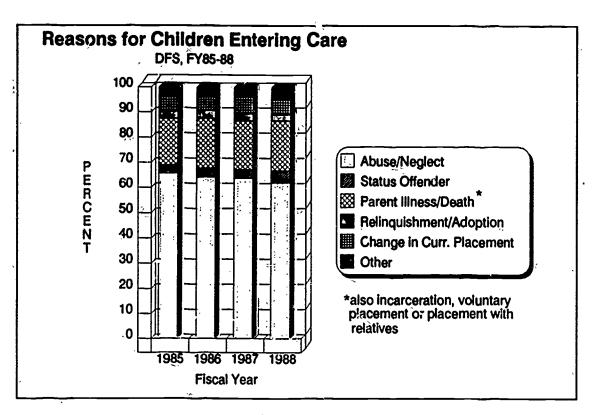
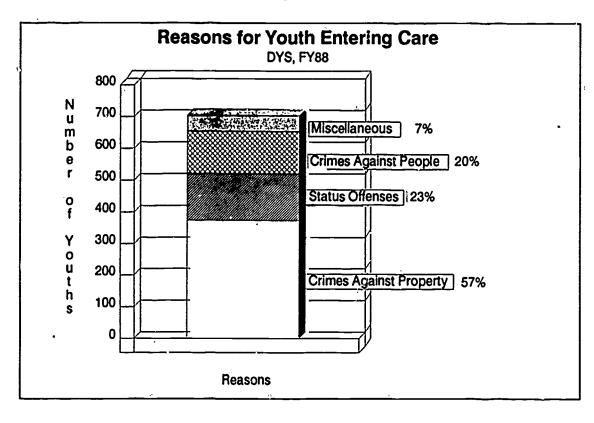


Figure 11





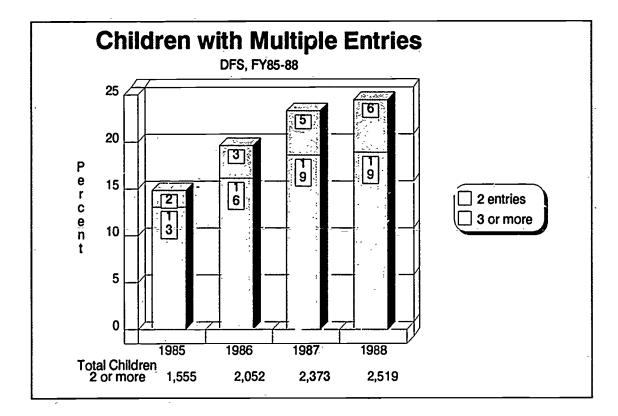
#### Multiple Entries into Out-of-Home Placement

Children who enter and re-enter placement two or more times are an important minority. The information presented in this section describes the trend seen across all three agencies of the number of children who are re-entering placement. These children are not those who are moving from one type of placement to another, e.g., from a foster home to a residential care facility, but rather children who returned home (exited) and then re-entered placement.

DFS has the highest rate of children re-entering placement at 25% followed by DYS at 12% and DMH at 3.5%.

Figure 12 tracks the increases in the DFS children re-entering placement. In FY88, 2,519 children, or 25% of those entering care, were re-entering for at least the second time. Six percent of the children were entering for the third time. Over the four-year period, the number of children re-entering increased a total of 62%.

For DYS, the rate of youths re-committed decreased from 9% in FY85 to 7% in FY86 (Figure 13). However, the trend shifted the following year to 12%. This shift resulted in a 33% increase for the four years.



11

Figure 12

Figure 13

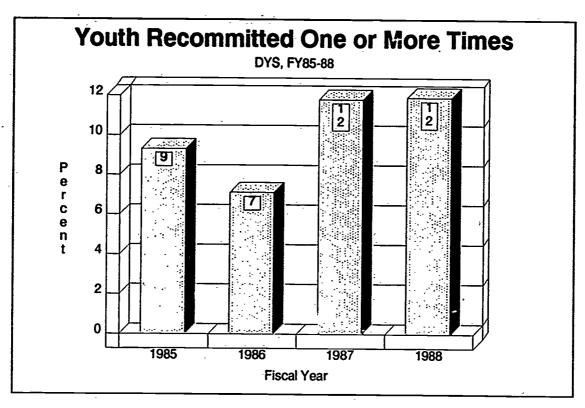
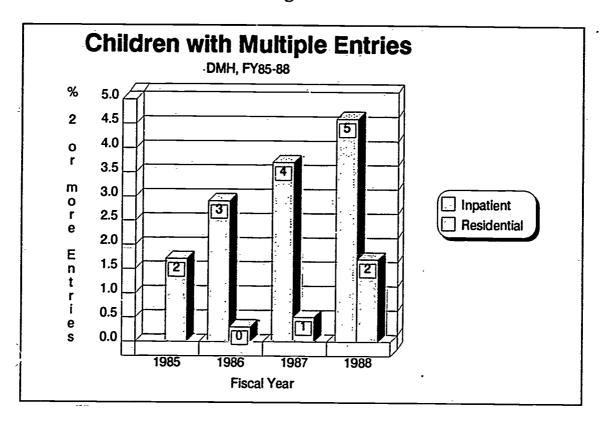


Figure 14





DMH registered the lowest re-entry rate for the three agencies, with 5% for Inpatient and 2% for Residential Care (Figure 14). While the re-entry rates are low, it is important to note that the re-entry rate for Inpatients increased by two thirds from FY86 to FY88. The small number of children re-entering Residential Care placement may be related to the small population of children served, since the program began only in the early 1980's.

#### Movement of Children from One Placement to Another

Of growing concern for the well-being of foster children is the impact of moving them from one placement to another. These children are traumatized in having to cope with yet another group of people and another new environment. This movement of children from placement to placement was tracked for DFS children only. Figure 15 tracks the percentage of children experiencing one or more placement types in a given year. Placement types were collapsed into four categories. What is of special concern is the number of children in two or more types of placement. In FY88, the percentage of children moving two or more times during the year was 31%. This represented a 15% increase over FY85. In all, 1,977 children moved two or more times during FY88. Children in one type of placement are also subjected to moves. For example, one out of three children in a foster home moved at least once during a given year.

Data was not collected to track the total number of times a child moved during his/her length of stay.

### **Length of Time Children Spend Outside Their Homes**

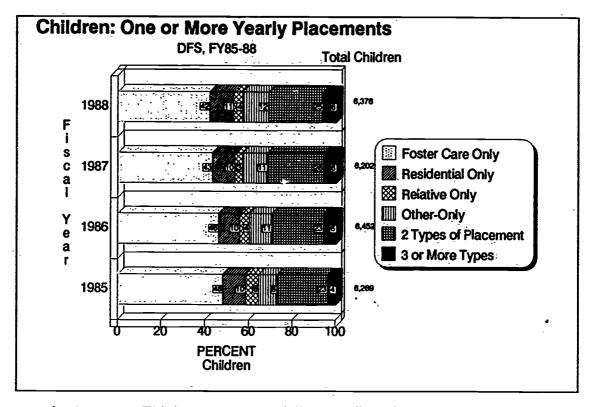
How long do children spend in placement under the supervision of these public agencies? The study found that the majority of children are in placement for over a year and that two out of every five children spend more than two years outside their homes.

The length of time children spend in placement can be measured in different ways. This study uses point-in-time data, looking at the average length of stay and the number of children in placement for more than two years. In looking at the children served at any one time, the long-term placements tend to be highlighted. On a given day, it is more likely that a child in long-term placement will be in the population than will a child that is placed for only a short period. On the other hand, focusing on children exiting the placement system at any one time will highlight short-term placements, since children remaining in the system for only a short time have a greater likelihood of being in the exiting population than do the long-term placements.

The length of stay information is presented for the most recent entry only, not the total length of time the child has been outside the home. For each entry, the length of stay starts over for children when they re-enter the system. Of all the agencies, DFS has the highest percentage of children remaining in placement for more than two years (37%) and the longest average length of stay in placement (27 months). DMH had an extraordinary increase of 1200% in the number of children spending more than two



Figure 15



years in placement. This increase can partially be attributed to the fact that the Residential program is a relatively new one for DMH and therefore more time is necessary to reflect length-of-stay data. The average length of placement for all DYS youths is under eight months.

Figure 16 illustrates that almost 60% of the DFS children spend more than a year in placement. Appendix IV describes the length of stay for each county. The data indicates that there has been an 11% decrease in the number of children spending more than two years in placement. However, this decrease is overshadowed by the 62% increase of children re-entering care.

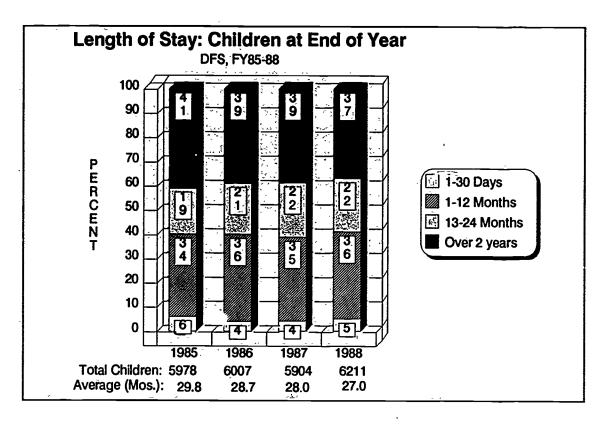
The overall impact of these two changes is that a greater proportion of the children are "repeaters" and with each entry the clock starts over in measuring the length of stay. For all children in placement the average length of stay is twenty-seven months in FY88, a 9% decrease from FY85. Again, it is difficult to know whether the decreased length of stay is a result of increased permanency planning efforts or a function of the increasing number of children who are re-entering placement.

Information was collected on DFS children with multiple entries by adding the length of time the child spent in each entry into placement. Figure 17 shows that a greater-proportion of these children spend more than two years in placement than do those children with a single entry. An average of almost 46% of the children with multiple entries spend more than two years in care compared to an average of over 35% for all children in care.

14



Figure 16



One question which arises in examining the length of stay is whether or not it changes in relation to the age of the child. Information was collected on children exiting the system to identify whether such differences existed. (As previously noted, this data will show a shorter length of stay.) Figure 18 graphs the percentage of children exiting with a length of stay over two years. Of all the age groups, youths over thirteen years of age are staying the shortest period of time in placement. It is unclear whether this is a function of permanency planning for adolescents or a function of these youths simply "aging out" of the system.

The age group showing the greatest increase in remaining over two years are the youngest age group. Twenty-four percent of the children who are under six years are not exiting placement until after two years. Since FY86 there has been a 26% increase in the number of these young children who are not exiting until after two years.

The two DMH placement types had radically different length of time-in-placement data. As illustrated in Figure 19, almost all of the children entering Inpatient care remained under one year, and two out of every five children remained under thirty-one days. The exact opposite occurred for Residential Care where 70% of the children in FY88 remained over one year (Figure 20). The trend in Residential Care is toward more extended stays.



<sup>15</sup> 31

Figure 17

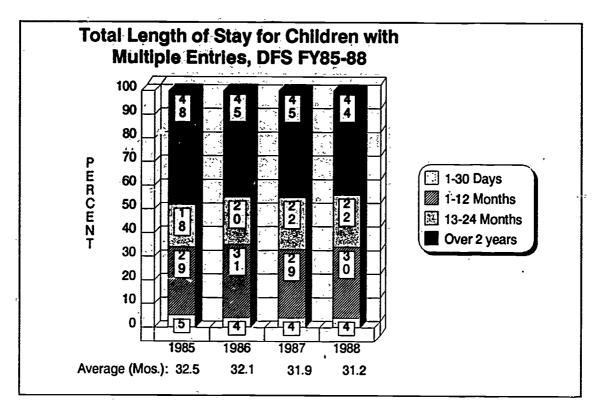


Figure 18

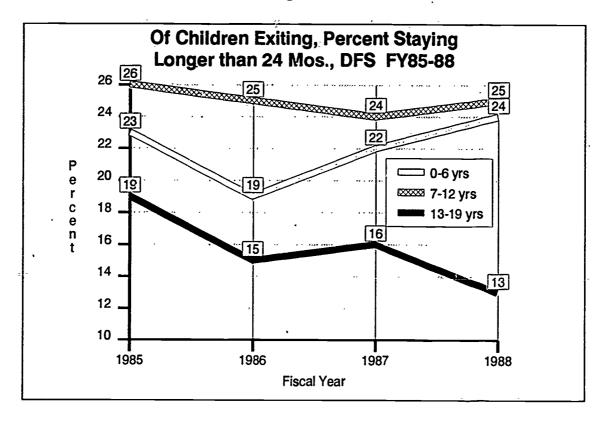
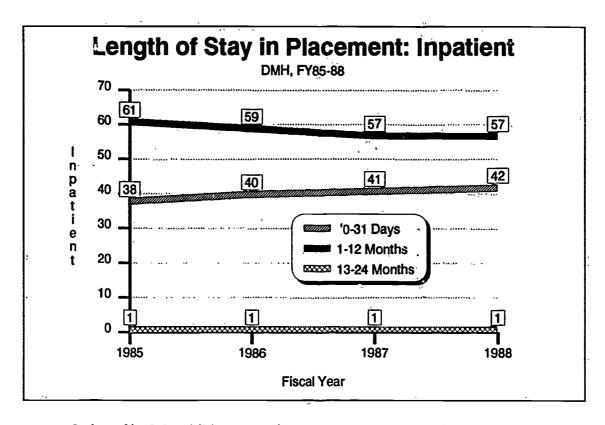




Figure 19



Only 25% of the children were in care for over one year in FY85 compared to 70% in FY88. As noted previously, this increase is probably a function of the length of time that this program has operated.

Of all the agencies studied, DYS had the shortest overall length of stay for youths placed. The average length of stay is 6.5 months in FY88. However, an examination of the length of stay would be incomplete without addressing the manner in which youths enter and leave DYS. Youths are committed into placement by the juvenile court. If DYS does not have a placement available, it essentially has to make one available by discharging a youth currently in placement. Therefore, when referrals from the courts are high, DYS may prematurely discharges some youths in order to make space available for others. This factor contributes to reducing the length of stay for youths.

Figure 21 graphs the change in the length of stay, showing a decrease from FY85 to FY86 and then a steady increase thereafter. Regional Centers increased the most at 60%, followed by Group Homes at 28% and Park Camps at 27%.



Figure 20

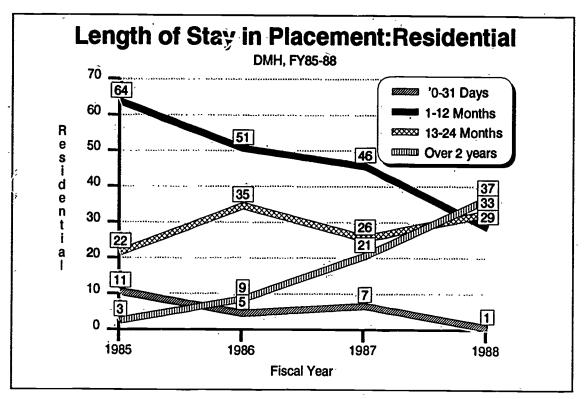
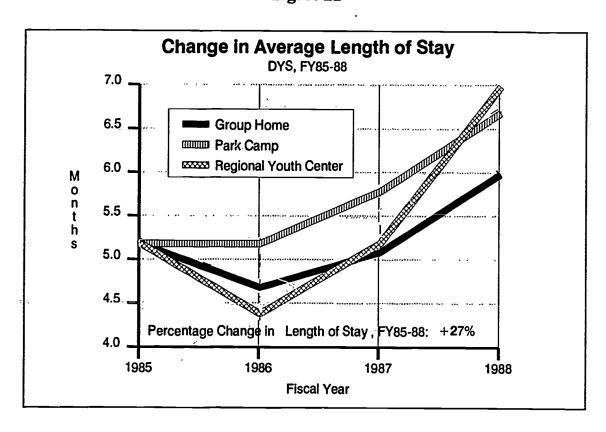


Figure 21





# CHAPTER II The Cost of Out-of-Home Placement

#### Children in Foster Care: A Case Study

"I never realized there was so much more to parenting than changing diapers and filling up baby bottles", exclaimed a mother while speaking to the foster mother of her three children. John, Brian and Sue were initially placed into foster care after being physically abused by their eighteen year old father. The boys were in one home while their younger sister Sue lived in another home.

During the fifteen month placement, the parents separated. The children were returned to their mother's care after she received counseling from DFS. John, Brian, and Sue traveled with their mother and another young sister living with friends and relatives. The twenty-two year old mother had no permanent place to live and little money to care for her four young children. After ten months the children were placed in emergency foster care because of a lack of supervision.

John and Brian were again placed into a new foster family while their sister Sue returned to the foster mother she had lived with previously, Sue eventually moved in with her brothers when her foster mother became ill.

They had been with their mother for 10 months before returning to foster placement. Since their return to foster care, their mother is employed and is attending parenting classes.

After more than two years and more than \$80,000 expended for their placement the question is - how long will these children remain in foster homes?



### The Expense of Placing Children Outside Their Homes

The three public agencies expended \$82.5 million in FY88 to place children outside of their homes (Figure 22). Seven out of every ten dollars expended by the public for placement was from the DFS budget. The amount expended by the agencies does not include expenses incurred by the juvenile courts and costs to private agencies above the rate of reimbursement. These costs are estimated to be in the millions.

The amount of dollars expended by each of the agencies increased by 31% from FY85 through FY88. This \$19.4 million can be attributed to more children being served as well as to rate increases for the purchase of care.

It is not surprising that, for all three agencies, the more restrictive the placement used, the higher the cost. Inpatient care under DMH has the highest cost per day at \$255. The lowest cost is \$6.83 per day for Family Foster Care under DFS.

#### **Increases in Children Placed Annually**

Across all three agencies there was an average increase of 11% in the number of children placed in the seven types of settings (Figure 23). However, when each setting is examined individually, the data shows that the number of children served in-

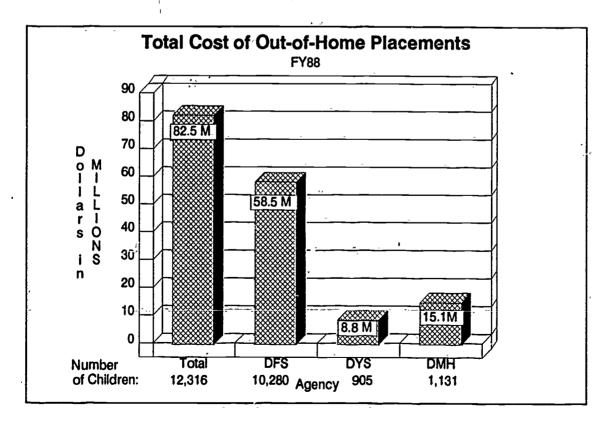


Figure 22



creased in four of the types while decreasing in the other three. DFS Foster Care led the decreases at 11%, followed by the DYS Park Camps at 8%. Both DFS and DYS increased the use of restrictive placement settings and decreased the use of less restrictive types of care.

DMH Residential led the increase in children placed with 37%, followed by DFS Residential at a 33% increase. What this statistic fails to show, however, is that DFS maintained an average waiting list during the four-year study of over 250 children which, had these youths been served, would have doubled the agency's increase. DMH, on the other hand, rarely places children on a waiting list for an extended period of time. In DYS, waiting lists are kept short (less than forty) because the agency will release youths to make placements available for other youths committed by the courts.

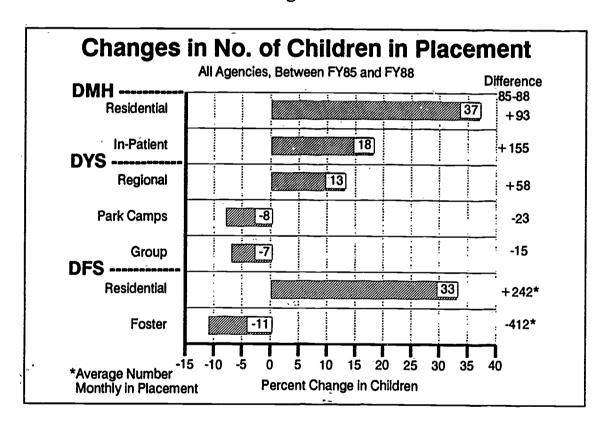


Figure 23

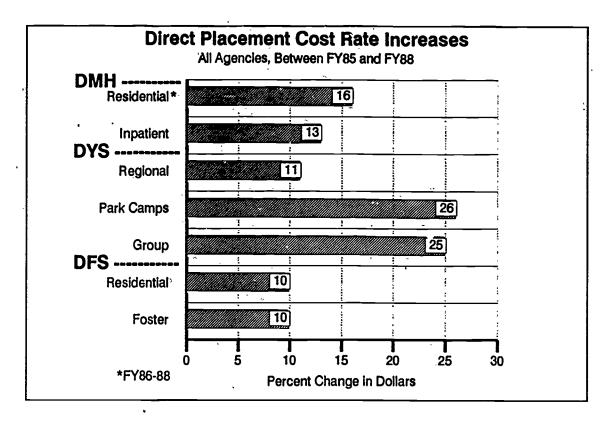
## **Cost Rate Per Year for Placement Types**

The placement cost rate is the amount required to purchase care for a child from a vendor (private agency facility, foster home, etc.) or the amount expended by the agency for one of its own facilities to care for a child exclusive of administrative costs. The agencies vary in their use of purchased vendor care. At opposite extremes, DYS does not purchase any vendor care while DFS uses only vendor care for placement. DMH uses both types for placement.



Across all placement types, there was a 11.3% increase (weighted) in the annual rate for care since FY85 (Figure 24). DYS led the three agencies with the greatest increase, averaging 21% across all its programs, followed by DMH and DFS respectively. Of the several types of placement, DYS Park Camps had the largest increase at 26%.

Figure 24

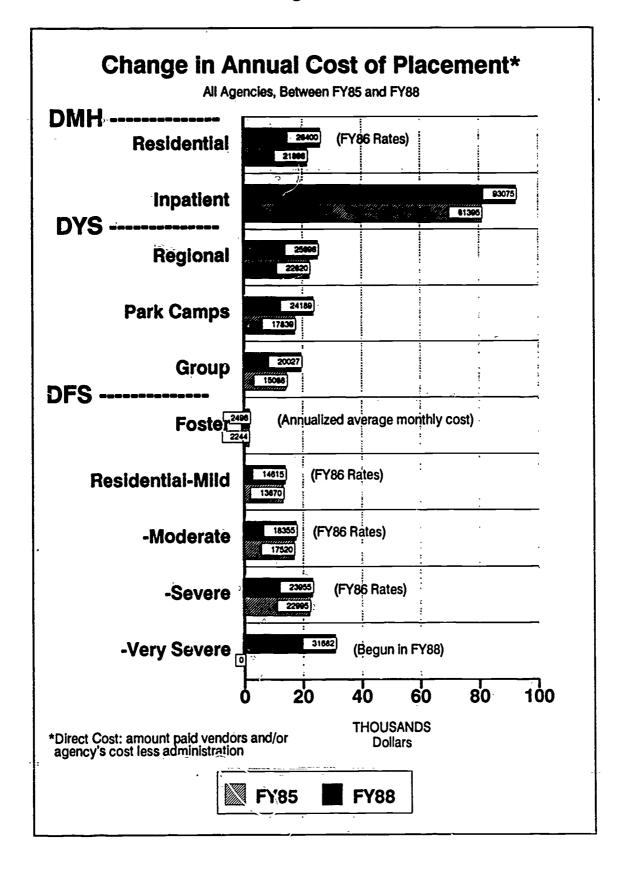


In looking at the cost of placements, DMH Inpatient had the highest annual rate at \$93,075, followed by DFS Very Severe Residential Care at \$31,682 (Figure 25). As previously mentioned, the more restrictive the setting, the more expensive the placement cost.

One program not included in this study due to its recent beginning is the DFS Therapeutic Foster Homes. These homes are for children whose behavioral or medical problems require a more supervised environment than a foster home. Specially selected and trained foster parents are paid an additional \$500 per month above the room and board rate of \$208 to care for these children. The annual rate direct cost for Therapeutic Foster Homes is \$8,496.



Figure 25





### **Total Expense Increases for the Agencies**

For all three agencies, the average percentage increase for all types of placement was 49% (weighted) in the four-year period studied (Figure 26). At 72%, DMH had the greatest increase of the three. Of the specific placement types, DFS had both the lowest increase, at 10% for Foster Family Care, and the largest increase, at 87% for Residential Care. This phenomenon is explained by the decreasing number of children in foster family homes and the combined increases of more children and higher rates for residential care. DFS residential costs would be even higher if there were sufficient funds for the children on the waiting list.

### DFS PLACEMENT COSTS FROM FY85 - FY88

The total cost for DFS placement increased by 23.7% from \$47.3 to \$58.5 million (Figure 27). Five types of costs are included in the agency's total cost of care: administrative, Medicaid, Contracted Treatment Services (purchase of counseling services, etc.), and vendor costs. Administrative costs comprise 40% of all costs. Residential vendor costs make up 30% of the agency's placement costs.

Figure 28 displays the increases in each cost component over the four-year period. The component with the greatest increase was Residential Care at 87%. Of the

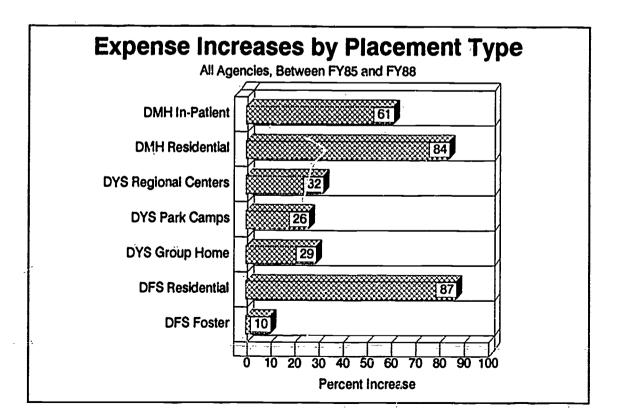


Figure 26

Figure 27

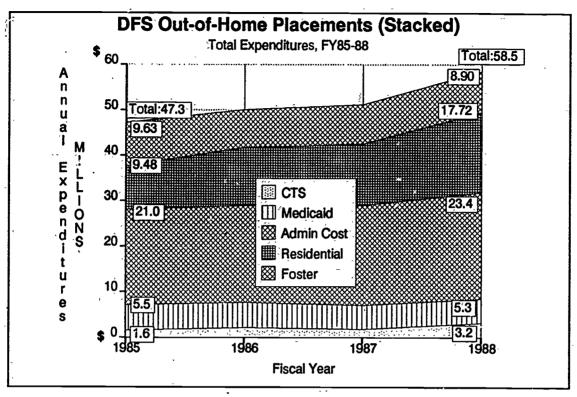
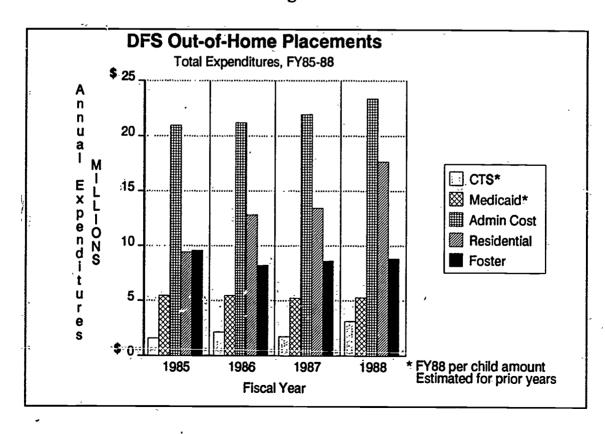


Figure 28





dollars expended to purchase placement, Residential Care comprises 66% of the cost while serving 21% of the children in placement monthly. Beginning in FY88, DFS began tracking children placed in the specific levels of Residential Care from Mild to Very Severe. Figure 29 shows that Severe Level care is the most frequently used form of Residential Care for the average monthly population of 976 children. The new Very Severe category has been used for only part of one year.

In FY88, the total cost per year to maintain a child in Foster Care was \$11,424 compared to \$27,012 for Residential Care (Figure 30). The annual cost for Residential

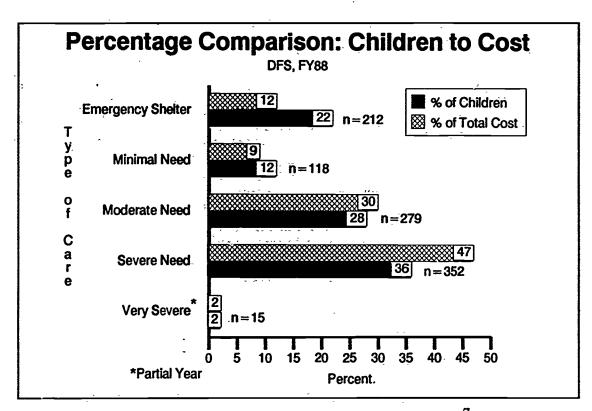


Figure 29

Care increased 28% from FY85 while Foster Care increased by 6%.<sup>7</sup> The marked increase for Residential Care is due to a combination of vendor rate increases and the use of more restrictive and intensive treatment facilities for children.

### DMH PLACEMENT COSTS

Of the \$15.1 million expended by DMH in FY88, 77% was for Inpatient care. Children placed in Inpatient included those placed in DMH residential facilities. The total cost for DMH's out-of home placements increased by 64% over the four years studied. Inpatient care had the largest dollar increase (\$4.4 million) while the Residential Care program had a higher percentage increase (83.6% as compared to 60.8% for Inpatient; see Figure 31).



Figure 30

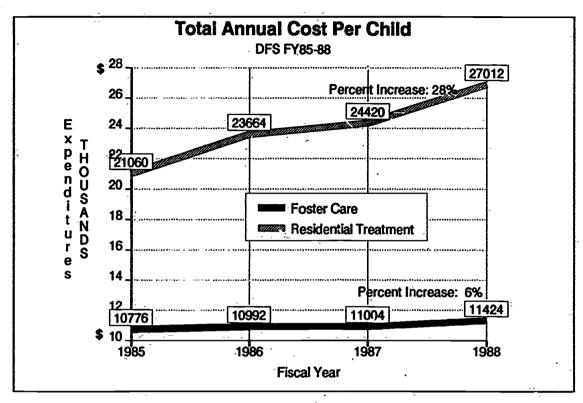


Figure 31

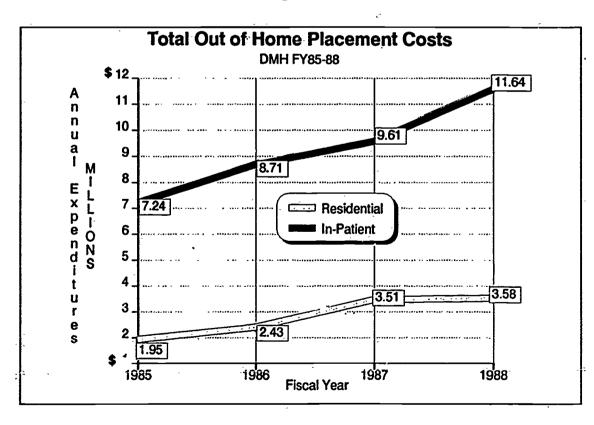




Figure 32

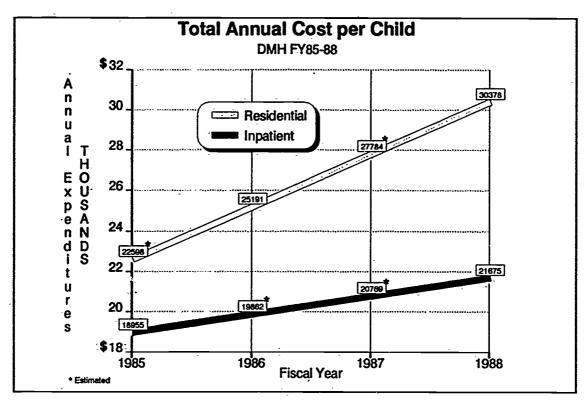
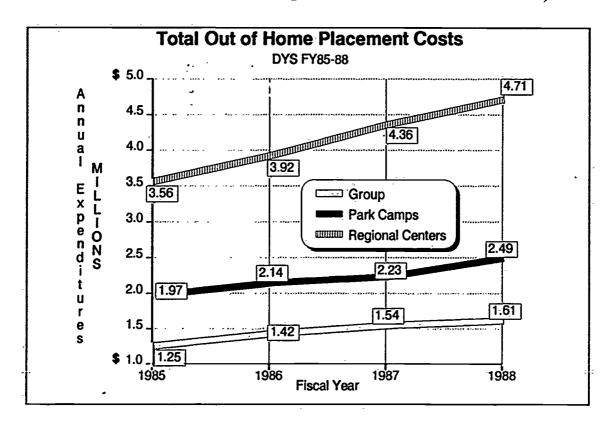


Figure 33





During the four-year period, there were 37% more children placed in Residential Care compared with an 18% increase for Inpatient care. The total number of children entering under Inpatient was 155, compared to 93 for Residential Care. In effect, the Residential Care program grew faster in the number of children placed but the Inpatient program consumed a greater share of the dollars expended.

Figure 32 shows that the Inpatient cost per child increased at twice the rate of Residential care, 32.4% compared to 16.5%. Cost of care is based on average length of stay.

#### DYS PLACEMENT COSTS

Expenditures for DYS programs increased from \$6.78 million to \$8.81 million over the four-year period, a total of 22.6% (Figure 33). This growth rate was comparable across all three programs, with Regional Centers showing the largest increase at 25%. Regional Centers comprise 53% of all the dollars expended for the three programs and 52% of the youths served.

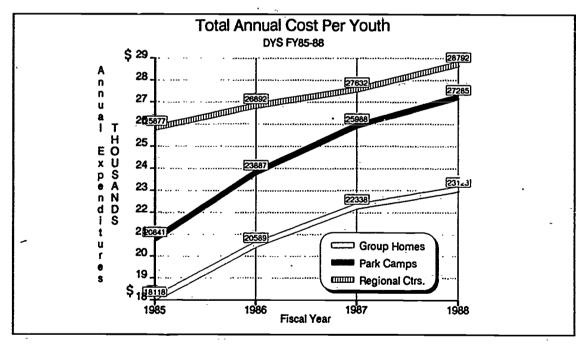


Figure 34

In comparing the annual cost per youth, Regional Centers were the most expensive at \$28,792, followed by Park Camps at \$27,285, and Group Homes at \$23,123 (Figure 34). Interestingly, the growth rate of the annual cost per youth served was higher in the Park Camps (31%) and Group Homes (28%) than for the Regional Centers (11%).



# CHAPTER III Future Projections for Missouri in Out-of-Home Placement

## Medical Neglect: A Case Study

Two year old Samuel rarely smiled during his first few months in foster care. He had been removed from his home, along with his brothers and sisters, due to a medical neglect report made against his mother. This report was made when four of the younger children were diagnosed with lead poisoning. The family had previously resided in an old dilapidated building that had walls covered with lead based paint. Upon learning about her children's illness, Samuel's mom moved to a new apartment. DFS provided mom with homemaking services to help budget her monies and to teach her better parenting skills. They were also able to establish plans for day care for the younger children when they returned home.

Samuel and his brothers and sisters remained in foster care for over a year. It was traumatic for this small two year old who was confused where he belonged. He was separated from his brothers and sisters and his extended family. His mother longed to visit with her children but a lack of transportation and money often restricted her from doing so on a regular basis.

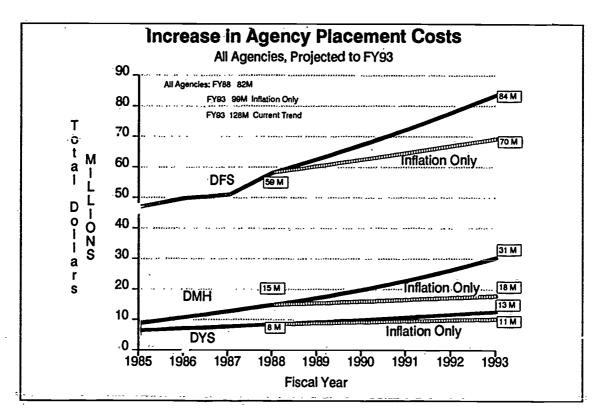
Samuel did return home with his family, but his time in foster care could have been avoided with intensive in-home Family Preservation Services. The cost of placement for the children (over \$60,000) could have been avoided. It is not known what impact this separation will have on Samuel in his future.



Each agency responsible for placement of Missouri's children and youth had increases in its total expenditures during the FY85-88 period. When these increases are projected to future years, the total budget for placement becomes immense. The Department of Mental Health and the Division of Youth Services saw steady rises in expenditures over the period. DMH placement costs increased an average of 18% annually while DYS increased nine percent. In Figure 35, these increases are shown and are projected to 1993. For the FY88-93 period a more conservative yearly increase of 15% was used for DMH while 8% was used for DYS (the dark lines in the figure). The projected cost of these placement programs in FY93 increased by two-thirds for DYS and doubled for DMH. The Division of Family Services showed increases for each year from FY85 to FY88, but the greatest increase occurred during the FY87-88 period when the agency experienced a 15% increase in out-of-home costs. The average yearly increase over the period was 7.5%. This was used to project agency costs to FY93 resulting in a projected cost of approximately \$84 million.

The graph also shows what could be expected for each agency if cost increases were frozen so that all increases were based on inflationary adjustments only. These are based on an annual increase of 3.5% This has been taken as a standard conservative estimate of cost-of-living increases in each of the following figures and is designated as "inflation only." The difference between the two types of projections (average historical growth and no growth) amounts to almost \$29 million across all three agen-





cies in FY95. Substantial savings are possible if out-of-home placement costs can be contained.

The projected increases result from growth in the total population served by the agencies as well as growth in the annual cost per child placed. (The total population of Missouri children is projected to be relatively stable in the coming decade. Thus, increasing numbers of children in out-of-home placement cannot be attributed to prowth in the state's child population) In Figures 36 and 37 it is apparent that the major explanation of the historical and the projected increases in DFS expenditures lies in the increasing unit costs of residential treatment and in the increasing number of children in care. The number of children in foster placement has actually been declining since FY85 and is projected to continue declining. (Monthly population figures are shown in the graph since they were most readily available.) Furthermore, the cost per child of foster care has also been increasing at a rate somewhat lower than the 3.5% inflationary increase. (This is evident in Figure 36 where the FY93 projected rate according to inflation alone is over \$950 greater per child.) If current trends continue, the number of children in the substantially more expensive, residential treatment care will begin to approach the number in foster care. Children in residential treatment constituted about 15% of the total monthly population in FY85 but are projected to increase to over 34% by FY93.

Figure 36

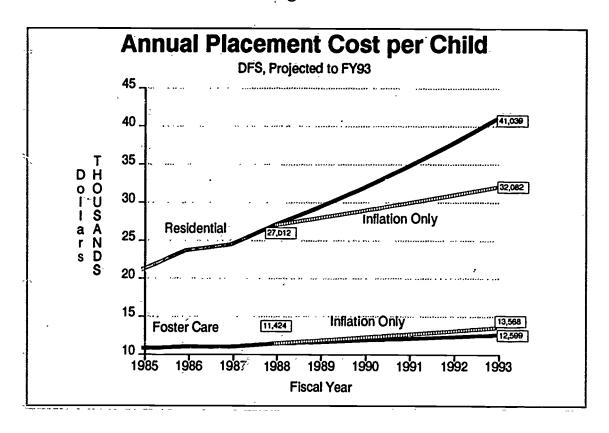
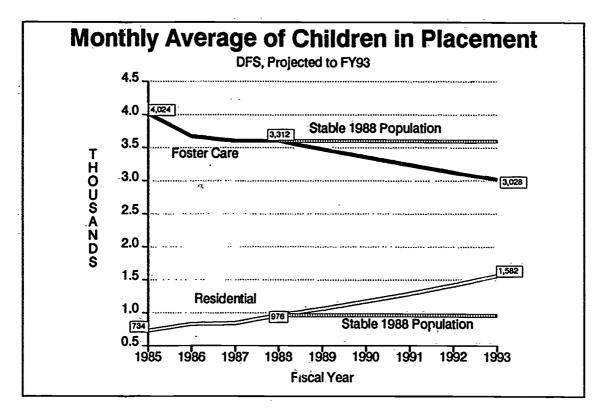


Figure 37



The costs per youth in placement for the Division of Youth Services are also increasing in each type of placement (Figure 38). The greatest growth is projected to occur for the Group Home and the Park Camp facilities. The projected costs per youth in FY93 for Regional Centers, Group Homes and Park Camps are \$33, \$32 and \$38 thousand respectively. In each case, finding ways to limit increases to cost of living levels only would bring substantial reductions in total expenditures. Based on average FY85-88 increases, a slight decrease is projected in the Park Camp and Group Home yearly populations, while Regional Centers, currently the most expensive type of treatment, will likely continue increasing (Figure 39). The yearly increase in the cost of Regional Center placements is projected to be somewhat less than an increase based on inflation only. Neverthless, the net consequence will be a substantial growth in total agency expenses for these services.

The annual cost of placement per child has increased for DMH and is projected to continue increasing to FY93 (Figure 40). The greatest-increases can be seen in the residential population (from \$23 to \$43 thousand between F Y85 and FY93). The inpatient population also shows substantial increases reflecting the continuing rapid inflation in medical costs, since these children are being placed in hospital facilities. If the annual populations of the agency continue to increase at the historical yearly average, the population of children in residential treatment will nearly double, while those in inpatient care will increase by 28% (Figure 41).

33

3



Figure 38

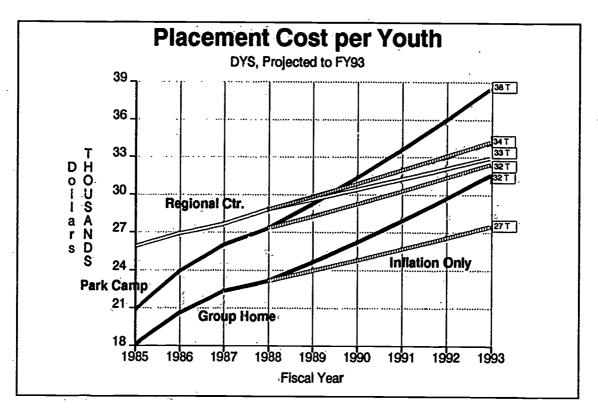


Figure 39

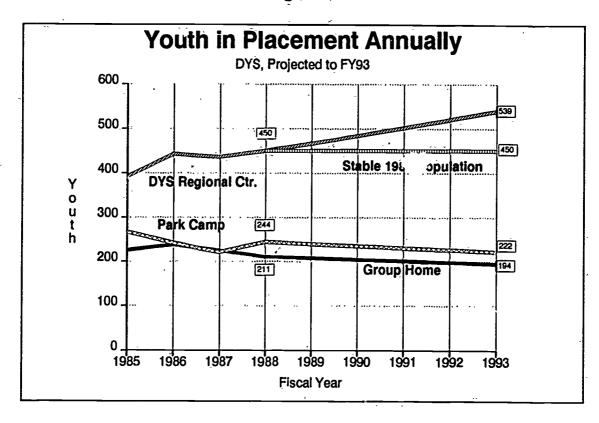




Figure 40

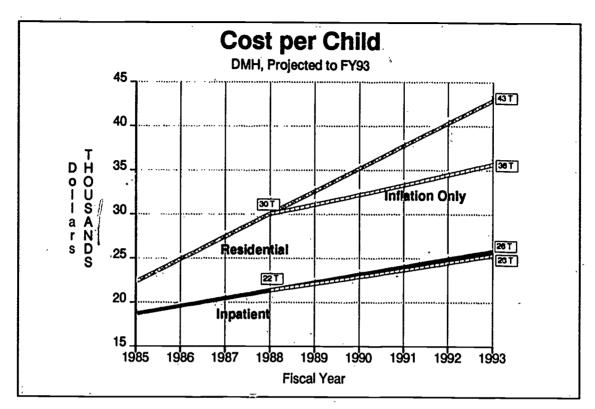
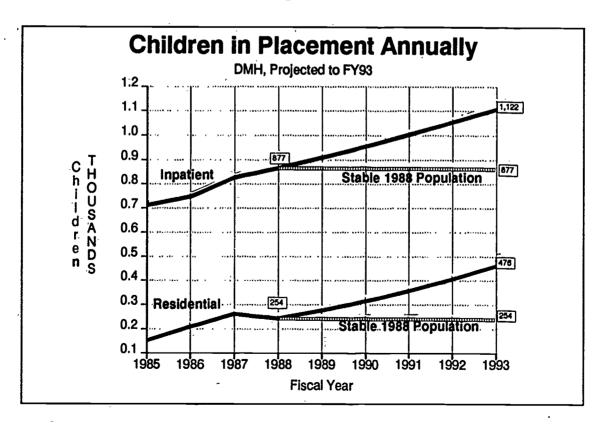


Figure 41







Growth in the number of children in out-of-home placement will require increased expenditures in future years. When this growth is coupled to yearly cost-per-placement increases that exceed a reasonable growth due to inflation, the result will be even greater expenditures. Increased family preservation efforts have the potential to reduce the number of children that pass through this system each year. It should be remembered, however, that children in Missouri typically remain in out-of-home placment for periods subtantially longer than a year and that their total cumulative stays in the system over the course of their childhood are, on the average, even greater. Sustained efforts to reunite children with their families and serve them in the family context will therefore have cost benefits that extend beyond the cost per child in any one year.



# CHAPTER IV What Can Be Done to Prevent Placement: The Case for Family Preservation Services

## **Families First: A Case Study**

The family was referred to Families First by the Boone County Juvenile Court because 15 year old John's refusal to attend school and the likelihood that out-of-home placement would occur. The mother and school personnel reported extreme anxiety upon entering the new school, painful shyness, and marked depression.

During Families First involvement with the family, the following interventions were utilized: individual, family and crisis counseling, conferences with school personnel to arrange for the transfer of John to a smaller school, as well as structuring an individualized schedule of classes with reduced hours of attendance per day. The Families First therapist transported John to and from school the first few days of class. School bus transportation was arranged and the therapist accompanied John on his first bus trip to aid him in the transition.

John's mother was instructed in assertiveness training in response to an adult child who also lived in the home with his family but took no financial responsibility. A contract between family members was created so that financial responsibility could be more easily delineated.

At the end of treatment John was attending school regularly. His mother was actively utilizing many of the assertiveness skills she had learned over the course of the six weeks treatment period.

During the nine month follow-up on this family (November, 1988), the mother reported that John was working part-time as well as pursuing his GED. She went on to add that her son was not the same depressed, extremely shy individual he had been a year ago. He now was taking pride in his appearance, jogging, lifting weights, and was setting future goals for himself.



With the passage of the Adoption Assistance and Child Welfare Act of 1980, the states received a mandate to provide services to families to prevent the placement of children outside their homes, and to speed-up family reunification when placement was necessary. Affirming the right of every child to a permanent family, the federal law directed states to shift placement from being the first to the last resort for children.

All too frequently, children then, as now, are removed first and questions are asked later. The development of Family Preservation Services has changed that order. Workers now ask questions first, using placement when the child is at imminent risk of harm and cannot be protected in the home or when it is not in the best interest of the child to remain.

Family Preservation Services is more than a re-ordering of the sequence of questions on removal. In effect, FPS is a re-design of services and a re-distribution of resources. Most importantly, it is a commitment to give a better warranty to a child's right to a permanent home by first strengthening and preserving the child's own family.

In almost every state, programs to prevent the unnecessary placement of children outside their homes are being developed. This is not, however, a movement to prevent all out-of-home placements. There will always be a need for limited placement of children when it is not safe or in their best interest to remain at home. Placement is a needed and valuable resource for children. But it must be used sparingly for children whose families are unable or unwilling to safeguard them, to provide them with nurturing homes, or for children who need an intensive treatment setting. Placements occur more frequently when services to keep the family together are not available, appropriate or accessible for the family.

### Family Preservation Services Goals and Features

Family Preservation Services are also known as family-centered, family-based, and home-based services. FPS is a set of intensive services to prevent placement. The goals of FPS are two-fold and intertwined--to protect children and to keep families together. Combining very traditional approaches such as home visits and concrete services, FPS provides short-term, intensive, twenty-four hour home-based and comprehensive services to families.

FPS is based on a belief in enhancing the ability of families to safeguard and nurture their children. By establishing a vastly different relationship from the traditional service approach which compensates for parental inadequacies, FPS focuses on enhancing the families' abilities, skills and resources.

As short-term crisis intervention services, FPS is aimed at stabilizing the crises which put children at imminent risk of being removed from their homes. FPS is not designed to solve or remedy all the family's problems. Therapists assigned to families provide in-home services such as family therapy, parent training and home management and broker for services such as day care or housing. A family's need for immediate financial assistance for medical care, food and rent payment can be met through the



program's emergency fund. Services such as day treatment programs, substance abuse counseling and other support services are arranged for the families during FPS and as a follow-up.

Family Preservation Services represents a distinctly different approach to services. In contrast, the current service delivery system operates in a manner which makes families respond to its requirements, restrictions and rules. The family is required to "fit" the system instead of the system fitting the needs of the family.

All too frequently, when a family is in crisis they have to wait for services, or the type of service needed requires a referral to another agency, or they are not eligible because of one or more factors. The family can become lost in a maze of workers and agencies. The result is that the child or children may have to be placed because the family does not have access to immediate and intensive help.

FPS are experiencing an enormous surge of growth across the country because of the high success rates in preventing placement and its cost effectiveness compared to placement. Research on effectiveness is beginning to emerge. Results are more than encouraging. Programs based in private and public agencies are achieving rates of placement prevention from 75% to 95%.

Missouri's public agencies have relied heavily on the use of placement in its services for children primarily because of the absence of FPS. Estimates on how many placements could be avoided in Missouri are not available because not enough is known about why children are placed and what will be the scope, dimension and size of future FPS programs.

### **Family Preservation Services Costs**

Costs for FPS programs vary across the nation depending on such factors as caseload size and length of service. For programs that provide a maximum of six weeks service with a therapist having a caseload of two families, the cost ranges between \$2,500 and \$3,000 per family. In programs with longer service length and higher caseloads, the costs are between \$3,000 and \$3,500 per family. These costs are direct expenditures and do not include additional services contracted for the family either during the intensive FPS component or as supportive follow-up services.

The cost for out-of-home placement far exceeds the FPS costs. In Missouri, one year of residential care is approximately ten times the cost of FPS. One month's placement in residential care is roughly equivalent to FPS for a family of one child. Foster Family care is four times the cost of FPS or approximately a child's three months in placement.



## **Financing Family Preservation Services**

One of the major barriers in developing FPS is not skepticism regarding its value or importance, but rather its financing. The question is what source of funds will be used to launch and maintain programs. Generally, two options are available: investing new money or re-allocating existing dollars. Either route causes political battles from the halls of the legislature to the meeting rooms of community groups and agencies. The competition fee scarce resources can cause children's best allies to become entrenched in disputes over how to divide the budget pie.

Proponents cite the self-financing ability of FPS as a result of the savings realized from averting the cost of placement of children. Without careful and thorough tracking of expenditures for both FPS and placement activities, however, analysis of the cost benefits of placement prevention will be little more than great claims.

Several programs such as the Ventura County Project in California have documented the cost savings of placement prevention and have applied these savings to future forecasts for bodget planning. Of course, a hazard in the documenting of the cost savings is the abundance of proposals on how to spend the funds. Once again, the competition for scarce resources emerge as factors. The aim is to return the dollars to finance the expansion of FPS until every child has the opportunity for placement prevention as a first resort.

## **Projecting Family Preservation Services Costs with Placement Cost**

What amount of cost savings could be attained in Missouri by the use of FPS? The amount varies depending on a number of factors, including the model program, target population, size and scope of the program. Caution needs to be exercised in not making forecasts which are unrealistic or unattainable. It is also important to recognize that to begin FPS necessitates up-front expenses in staff, training, and an evaluation component.

What would be the estimated savings generated through the use of FPS? Charted below is an estimate of savings based upon just a 10% reduction in the number of children and youths served in out-of-home placement which would yield a cost avoidance of \$10.1 million. Assuming that all these children were in separate families, the cost to provide FPS to 630 children at \$2,800 per family would be \$1.7 million. Thus, the net cost savings would be \$8.4 million. This savings does not take into account start-up costs for FPS by the agencies. The comparison of placement and FPS costs makes a sound fiscal case for the use of FPS as a strategy to prevent the placement of children outside their homes. Such a course is warranted for Missouri and for its children.



Agency	Reduction	Children	<b>Annual Cost</b>	Savings
DFS <sup>1</sup>	10%	97 Residential	\$27,012	\$2.6 million
DFS <sup>1</sup>	10%	331 Foster	\$11,424	\$3.7 million
DYS	10%	90 Combined	\$26,400 <sup>2</sup>	\$1.3 million
DMH	10%	87 Inpatient	\$15,300 <sup>3</sup>	\$1.8 million
<b>DMH</b>	10%	25 Residential	\$26,400 <sup>4</sup>	\$0.7 million
Total		630	•	\$10.1 million

- 1. Reduction based on the average monthly population of children
- 2. Cost based on average length of stay of seven months
- 3. Cost based on average of eighty-five days of placement
- 4. Length of stay of fourteen months



# CHAPTER V Future Directions: The Agencies' Forecast

# **Adolescent Abuse and Emotional Disturbance: A Case Study**

To 13 year old Steve, school was never an exciting pastime. Having been in four schools by the seventh grade he had difficulty making friends and starting new classes. Steve experienced stressful home life because of his parents both worked full-time and expected him to be more responsible for his two younger brothers. The family had moved twice in two years because plant closing resulted in his father's loss of work.

Steve began to flee from his responsibilities cutting classes, leaving his brothers at home alone, and he began using drugs. Battles erupted between Steve and his father both verbal and physical. A school counselor made a child abuse report when Steve appeared with a black eye. Steve rebelled against his father. Steve's mother went for one visit to a mental health center seeking help.

After six months, Steve's father sought to have him committed to a psychiatric hospital because of his acting out behavior. Steve spent three months in the hospital and was then moved to a residential treatment center. In the eighteen months, Steve spent in residential care, his parents rarely visited. Steve make some progress at the center specially in his school work.

Steve returned home but there has been little change with his parents. Whether Steve remains at home or is placed again will depend upon a variety of factors including whether the family will receive help to resolve their conflicts and expectations with one another.



### **Overview**

From this study, we have learned about the number of children being placed outside their homes under the supervision of the public agencies and the cost of their care. From the forecast on the cost of out-of-home placement, we found that in the next five years costs will increase by \$46 million if current trends continue.

Having analyzed the past, the present and the future, the question is whether Missouri will continue on its current course or take a course to better serve children and their families and the taxpayer. This study represents a beginning to alter the current course in order to reduce the number of children in placement and re-direct the financial resources necessary to prevent placement.

This section describes the course public agencies are taking to better serve children by developing Family Preservation Services. Included is what the agencies are doing collectively and individually to prevent the placement of children outside their homes.

It is important to note that these new directions are under development and do not represent specific plans. Such plans are in various stages of development in each agency. Currently, the agencies are engaged in a process of assessing the strengths and weaknesses of each of their individual service systems as well as the combined system of care for children. This process represents a significant step forward by the agencies to collaborate with one another on a system level rather than on an individual client level.

Although the public agencies are making solid first steps, there will be enormous barriers to overcome. Bureaucracies are not known for their propensity to move swiftly, much less in a concerted manner. Years of competition, fragmentation, and turf disputes all present obstacles which will require the full commitment of the agencies and the advocates to stay on course.

Corresponding to the barriers in the public sector are the realities of change in the private arena. DFS, and to a lesser extent DMH, rely upon the private agencies via purchase of service contracts to provide a range of services from counseling to residential placements. Shifts in the public sector will create more than a ripple in the private arena. The type and delivery of services, the accountability, and the funding for the services will be altered over the next several years. The private agencies share a partner-ship with the public agencies and ought to be partners in the development of FPS.

The other partner in preventing placement is the juvenile courts. The vast majority of children entering placement are so ordered by the juvenile courts. For children in the child welfare system, a federal and state mandate exists which requires that the judge make a determination that all reasonable efforts were made to prevent the placement of the child outside his/her home.



<sup>43</sup> 59

The collaboration which now exists among the three children's services agencies as well as their coordination with the Department of Elementary and Secondary Education and the Judiciary represent a significant step to improve services for Missouri's children.

Clearly, there are numerous benefits to this collaboration not the least of which are:

- A Broader and more inclusive view of service for Missouri's children.
- Improved long range forecasting in service planning and financing.
- Better use of the existing services provided by the agencies.
- Pooling financial resources on a state and community level to develop and to provide services for children and their families.
- Establishing collective criteria and standards for services for children.
- Development of pathways to services assuring access to appropriate and quality services.

### Missouri Family Preservation Services Initiative

With the award of a three-year planning grant from the Edna McConnell Clark Foundation in June 1988, the Departments of Social Services and Mental Health joined with Citizens for Missouri's Children to launch an initiative to develop Family Preservation Services.

The purpose of this initiative is to plan and implement a procetype system model to avert the placement of children who are under the supervision of each of these agencies. Divided into four phases, the initiative begins with this trend analysis of the use and cost of placement by the agencies.

The second phase is the planning period during which a planning group, comprised of the Departments, CMC and a range of public and private representatives, will develop a prototype for a community-based system to prevent placement. This prototype will address the philosophical, policy, program and financing components necessary to alter the current service delivery system. Engaging in the planning process will be representatives from juvenile courts, private counseling and residential treatment centers, schools, community councils, hospitals, health agencies, volunteer organizations, community businesses, emergency assistance providers, and health centers as well as others.

With the design of the prototype, an implementation phase of eighteen months will follow. After making modifications based upon the evaluation of the prototype, the planning group will begin to apply the model to other regions of the state adapting to the different needs and resources in rural and urban areas. State-wide implementation is expected to begin in January 1991.



The initial project planning process has resulted in the development of common goals and characteristics in the system. Consequently, the design for a system of care is being sought which would integrate and connect services, with the common goal among the three agencies to inappropriate avert placements. The common goals follow.

### Agency Goals for the Families

- To prevent placement.
- To strengthen and enhance families to assure the well-being of their children with minimal interference by public agencies.

### Goals for the Agencies

- To develop a continuum of services for families with children who are in imminent risk of placement.
- To connect and integrate the service delivery system to provide services effectively for families and their children.
- To provide all at risk families the opportunity to receive Family Preservation Services in an effort to avert placement.

### Charactéristics of the Service Delivery System

- Services are family centered and aim to empower and enhance families as the primary caretakers of their children.
- Services are designed to meet the needs of the families rather than "fit" families into the agency's and system's compartments.
- The eligibility for and the access to services is based upon the use of the least restrictive alternatives.
- Families whose children are at risk of placement are given a higher priority in the access to services. The system provides a procedure for rapid referral and response.
- The direction and decision-making on services to a family and their children is made on the community level.
- Flexibility in funding, and incentives to reduce placement.
- Educational programs are provided to meet the special needs of children and youths.
- A flexible continuum of services which responds to the varied and changing needs of families.
- A range of placement options which provides the least restrictive environment and involves the family in treatment in order to reduce the length of placement for children.



Nothing less than a concerted, committed and comprehensive effort by the state agencies will make a difference for children. The public agencies are not alone in this effort. Missourians, elected officials, professionals, parents and advocates have a responsibility to join, encourage and press the agencies to better serve our children.

#### DIVISION OF FAMILY SERVICES

Of the three agencies, the Division of Family Services has the most children in placement and expends the largest amount of funds to support their care. If the current trends continue, DFS placement expenses will increase by \$25 million by FY93. Charged with the responsibility for 84% of the children served in placement annually, prevention of placement becomes a critically important issue for DFS. In responding, DFS is making the prevention of out-of-home placement its priority for the next three years.

In making placement prevention a top priority, DFS expects to undertake a systematic expansion of Family Preservation Services. This FPS expansion is currently generating an examination of service delivery across all children's programs, including child abuse and neglect, foster and residential care and special needs adoption. The first step for DFS is an intra-agency Task Force which is revising the DFS policy manual from its present child focus to a family-based services orientation. Accompanying the manual revision will be the development of training materials for staff.

The Division has set forth that the basis for its services is the assumption that the best placement for children is with their biological family and that maximum resources should be directed toward that end. When such a goal is not appropriate, DFS will then pursue the least restrictive environment and treatment for the children with the eventual goal of reuniting them with their family when at all possible. When the goal is not in the best interest of the child, a permanent home through adoption will be secured.

In 1987, the Division in cooperation with Citizens for Missouri's Children sponsored the first Family Preservation Services Conference. They also established a Community Task Force in Kansas City. From this Task Force, a Family Preservation Services program evolved. Using a team approach, DFS social service workers and therapists from private agencies deliver intensive home-based services to families at risk of having their children placed outside the home. Housed at DFS, the project began accepting families in November 1988 and is expected to serve eighty families annually.

DFS has developed and implemented jointly with the Department of Mental Health a family preservation project called Families First. This project is currently active in Columbia and Springfield and accepts children with a mental health diagnosis who are in imminent danger of removal. They provide six weeks of intensive service and have been successful in avoiding out-of-home placement (and therefore subsequent DFS costs) in 85% of the sixty families served.



The Division of Family Services is also currently developing four additional projects. These projects will closely follow the nationally accredited Homebuilder's of Tacoma, Washington model of Family Preservation and will be implemented in the following counties:

ADATR, SCHUYLER, and KNOX - This project will focus on purchase of service from providers in a predominantly rural area of the state. A number of children from this area enter psychiatric placement for evaluation. It is hoped that this project can develop services in the home to eliminate this out-of-home placement.

CAPE GIRARDEAU - This project will focus on avoiding foster home placement for children in immediate risk of removal.

FRANKLIN - This project will provide Family Preservation in a rural area where large agency providers are practically non-existent. The service will be purchased from individuals and supervised by the local office.

GREENE - This project will expand the already successful Families First concept into an additional clientele (viz., children in danger of foster care placement but with no mental health diagnosis) and into additional counties surrounding Springfield.

In addition to the above projects, the Blue Ribbon Commission on the Future of Services to Children and Families made Family Preservation Services one of its top recommendations.

A cooperative agreement between DFS and DMH for treatment of severely emotionally disturbed children is currently under development. This agreement would permit shared funding for the cost of treatment for these children

In the financing of its children's programs, DFS is taking a dual pathway. In the FY90 budget, DFS requested \$1.5 million for the expansion of FPS. On the other pathway, DFS requested \$4.3 million to serve an additional 137 children and to increase the vendor rate. This increase is consistent with what the cost projection made in DFS would be if there were no limitation of residential care placements.

Division of Family Services goals for the next three years include:

- Make prevention of out-of-home placement a top priority for the next three years.
- Define the type of treatment model the Division will use with families to prevent placement.
- Identify the target populations to receive FPS.
- Train staff in a family based treatment model.
- Revise the agency policy manual to reflect a family based treatment approach for all children's programs.
- Increase funding to expand Family Preservation Services



#### DEPARTMENT OF MENTAL HEALTH

The Division of Psychiatric Comprehensive Services has approached the increasing number of children and rising costs of residential and hospital placements with a three-pronged strategy. The first strategy was to collaborate with the Department of Social Services and Elementary and Secondary Education under a federal grant to launch a project called Families First.

Housed in the Community Mental Health Centers in Springfield and Columbia, Families First targets abused and neglected children with serious emotional disturbances who are at risk of being removed from their homes. The program model is based upon Homebuilders of Tacoma, Washington and provides four- to six-week homebased services with the therapist being available to the families twenty-four hours a day.

Thus far, Families First has a success rate of 85% in preventing the placement of the child into a mental health facility or residential treatment center. More than sixty families have been served in these two programs. With appropriations made by the General Assembly, DMH plans to expand the programs to two additional sites in FY89.

DMH's second strategy addresses the service delivery system. Through a Child and Adolescent Services System Program (CASSP) grant from the National Institute of Mental Health, DMH is embarking upon a three-year project to strengthen the continuum of care for seriously emotionally disturbed youths. This project will include improving the availability and access to appropriate services for children, increasing family participation and establishing interagency coordination mechanisms on the state and community level.

DMH is committed to developing a continuum which provides the full range of services to prevent placement and to speed the re-unification of children with their families when placement is necessary.

The third strategy is the financing of services to children and youths. In the past four years, DMH's residential budget increased by 84%. Increases in the Inpatient program were a result of planned appropriations from the early 1980's that expanded expenditures by 63%. DMH projects that sufficient placement resources are available based upon the ratio of beds available to the child and youth population. Consequently, DMH is not requesting any funds to expand the number of children in residential care. Instead, funds will be sought to prevent placement of children. In DMH's plan for no growth in residential placement, the savings based upon the cost projection made through FY93 years would total over seven million dollars.

DMH identifies the following goals for the next three years:

• To develop interagency plans and agreements to implement a community-based treatment system for the Seriously Emotionally Disturbed youth.



- To develop a patient support and advocacy network for Seriously Emotionally Disturbed Children (S.E.D.).
- To dev lop strategies to implement community based systems.
- To continue expansion of Families First and therapeutic foster care.
- To develop day treatment, case management and respite care services.
- To freeze the expansion of its residential capacity level.
- To increase rates to purchase quality residential care.
- To focus on improving the quality of care in state-operated facilities and residential placements.
- To explore the use of the community based medical waiver to increase services available for children under Medicaid.

### **DIVISION OF YOUTH SERVICES**

With the publication of the Blue Ribbon Commission Report on Youth Services in late 1987, the Division of Youth Services has embarked upon a comprehensive planning process which focuses on re-shaping its programs. The Division efforts span the range of service delivery, management information, financing and training components. Additionally, the Division is seeking accreditation by the American Correctional Association.

At DYS the placement of youths into the highly structured residential centers is increasing as is the cost for all placement types. The projected cost increase of over five million dollars in the next five years, combined with little prospect of such funding, suggests that developing alternatives to residential placement be a high prioity.

The Division is currently developing a risk/needs assessment to be utilized at the point of commitment and classification of youths entering the DYS system. This classification tool will enable Division staff to make better decisions regarding the level of care which would most appropriately address the youth's needs. It is believed that through the utilization of this assessment tool, a youth whose needs might be met in non-residential settings will be better identified.

The Division has for many years operated a primary care component within its service delivery system. The primary service available to youths in this program has been family therapy. The belief held by DYS is that a higher number of youths may be diverted from residential care if expanded services are available. In this regard, day treatment programs appear to be a viable option.

DYS is exploring the utilization of contractual services for reception and diagnostic intake as well as community group care. Under such an arrangement many youths would be able to be served in their home or community rather than be moved else-

where. Currently, DYS provides all such services via its own facilities which restricts access of the family to their child.

The Division makes grants to juvenile courts to provide community-based programs for youths with the goal of diverting them from commitment to the agency. The Juvenile Court Diversion programs have been successful in developing projects on the local level and include home-based family therapy, intensive probation, restitution programs and residential placement as an alternative to DYS commitment. These programs vary in scope and size.

The Division has determined that these programs were successful for over 600 youths in FY88.

In its FY90 budget request, the Division is requesting over \$1 million to add thirty beds at the St. Louis Missouri Hill facility in order to serve youths in a location closer to their own community.

The DYS's future direction in preventing placement is apparent in the agency's following goals:

- To improve the classification process of youths for services through the development of a risk/needs assessment tool.
- To decrease the necessity of residential care placements through the development of community-based resources.
- To develop a continuum of care through a network to purchase diagnostic and residential community services, thereby maximizing the degree of services which can be offered Division youths on the community level.
- To expand the juvenile court diversion program, thereby providing communities with resources which will assure services to at-risk youths and their families.
- To retain the Division's group home program so that youths assigned to these facilities may participate in a family-based approach to treatment.
- To develop strong partnerships with juvenile courts and other youth-serving agencies for the purpose of strengthening community programs through shared training resources.
- To develop a comprehensive management information system which will in part assure that youths will receive appropriate community services.



# APPENDIX I Division of Family Services: Placement Categories

Relative Care - This placement is preferred based on the assumption that children are permally familiar with the relative and would feel comfortable being in their home. The child may remain in the Division's custody or be placed in the custody of the relative.

Emergency Care - Provides short term care (generally thirty days or less) for children who are just entering DFS custody or are between placements. Placement may be made in a foster home or a specially designed facility.

Foster Family Care - The foster family's primary role is to provide daily care and nurturing. Foster family group care homes can be licensed to provide care for up to twelve children.

Medical Foster Home - Provides special training and reimbursement to foster parents who care for children with moderate/severe medical/mental conditions. They are reimbursed at a higher rate because they provide treatment in addition to care. These children range in ages from infancy to eighteen years and have medical/developmental problems.

Behavioral Foster Home - Consists of specially licensed and trained foster parents who provide treatment and care to children with moderate behavioral/emotional conditions. Foster parents are viewed as the primary treatment agents. They are reimbursed at a higher rate because of the treatment they provide.

Independent Living Program - Serves youths from the ages of 16-18 currently in foster care. It provides young people assistance in developing the skills necessary to cope successfully with decisions related to jobs, housing and other essential areas of independent living.

Residential Treatment - Serves children who have moderate/severe emotional and/or behavioral problems. These children generally have been unable to function in the less restrictive settings. Residential treatment is currently divided into four levels depending on the severity of the child's problems and necessity for specialized services. The levels are: Level I - Mild, Level II - Moderate, Level III - Severe, and Level IV - Very Severe (established in 1988).

Psychiatric Hospital Placement - Provides children with short or long-term psychiatric treatment. They may be placed in a private or public hospital. The cost of psychiatric hospital care is paid through Medicaid for a maximum number of days as determined by the child's diagnosis. The division pays for days of care beyond the prescribed maximum number.

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# APPENDIX II

# Division of Youth Services: Placement Categories

Short-Term Programs - The Division operates two specialized short-term programs which provide alternatives to the institutional setting. The programs include Pa-He-Tsi Camp at Osage Beach and Group Home #6 at Springfield. These facilities take groups of eight to twelve youth through assix to eight week long close-ended program.

Group Home Programs - Group homes are the least restrictive of the residential programs operated by the Division. The group-home setting is typically a large house with the capacity for ten youth. The staff provide twenty-four hour supervision in a home-like setting. Youths are involved in the community via school, jobs and community projects. Treatment services within the facility includes group, individual and family counseling. Youths placed in group home settings are usually referred for status offenses or property law violations.

Moderate Structure Facilities - The Division operates five programs that provide a moderately structured environment. The youths are divided into treatment groups of ten, with similar staffing patterns as in the group homes; i.e., twenty-four hour supervision. A traditional school program is provided by full-time teachers on the site. The target group for these programs are youths who have participated repeatedly in "minor" offenses, i.e., burglaries and crimes against property. They are not serious offenders, but instead are immature and require continuous structure.

High Structure Facilities (Regional Youth Centers) - The Division operates three highly structured institutional programs. Two of these are male institutions having capacities of thirty and seventy. The third facility is co-ed and houses ten girls and twenty boys. All the institutions provide educational classes and vocational training on site. Recreational facilities are also provided on campus.

Specialized Residential Facilities - The Division currently operates two facilities which are unique in nature. The Community Learning Center in Springfield, Missouri is a structured residential environment for youths. The residents are delinquent or status offenders who have been identified as youths needing special programming due to their limited mental capacities. The Special Treatment Unit at Fulton, Missouri is a two-y-bed unit and designed to serve aggressive, emotionally disturbed delinquent youths committed to the agency. It is a locked facility and all institutional services are provided within the facility. Psychological and psychiatric counseling are available through contractual arrangements with the Department of Mental Health.



# APPENDIX III Department of Mental Health: Placement Categories

Therapeutic Foster Homes - Provide twenty-four hour care and specialized services to no more that three children within the private homes of foster parents.

Group Home programs - Provide access to community activities and resources and twenty-four hour care to no more than twelve children.

### Residential Treatment:

Intensive Residential Treatment - Provides a secured setting on a temporary basis, the occasional capability of one-to-one staffing, limited on-campus educational services, other specialized services, and medical supervision by a physician with expertise with psychotropic medications.

Specialized Residential Treatment - Provides a secure setting, the frequent capability of one-on-one staffing, full-time on-campus educational services, specialized services and intensive treatment and medical supervision by a psychiatrist for no more than eight children.

### Inpatient Psychiatric Care includes:

Acute Inpatient programs - Provide hospitalization and psychiatric services for a period of thriryt days or less.

Intermediate Inpatient programs - Provide hospitalization and psychiatric services for a period of thrity to ninety days.

**Extended Inpatient programs - Provide hospitalization and psychiatric services** for a period of ninety days or longer.

The Department of Mental Health operates the following five psychiatric facilities to serve children through out the state: Woodson, Hawthorn, Mid-Missouri, Western Missouri, Cottonwood.



## **APPENDIX IV**

A County by County Description of the Number of Children in Out-of-Home Placement, the Rate of Placement per 1,000, and the Percentage in Placement Over 2 Years.



Figure A. Children Placed, DFS Area 1, Average FY86-88

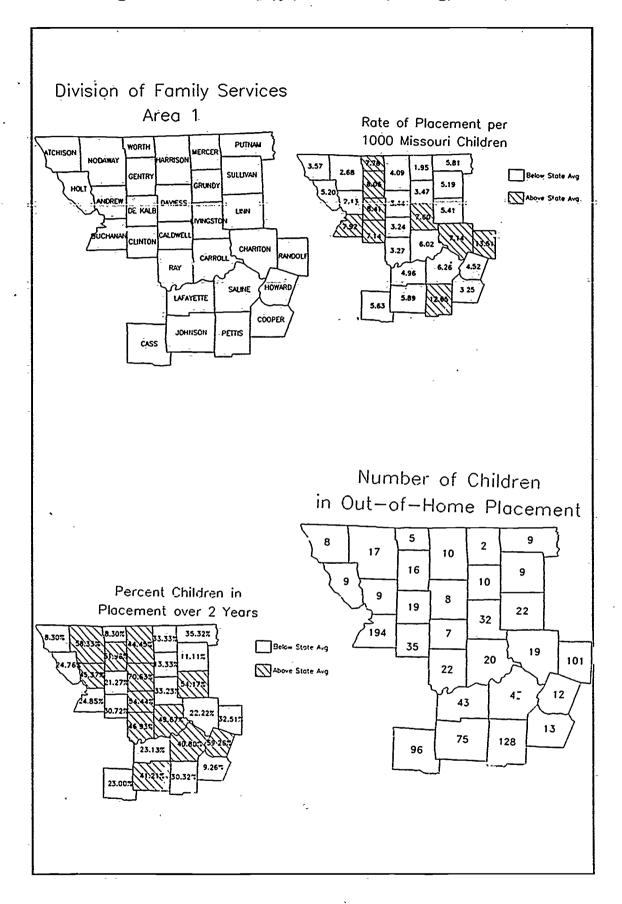


Figure B. Children Placed, DFS Area 2, Average FY86-88

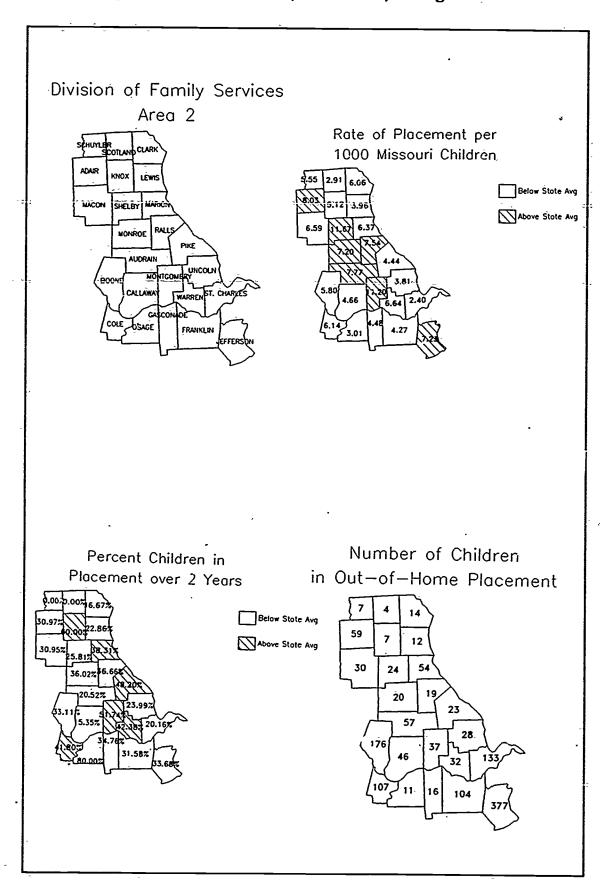




Figure C. Children Placed, DFS Area 3, Average FY86-88

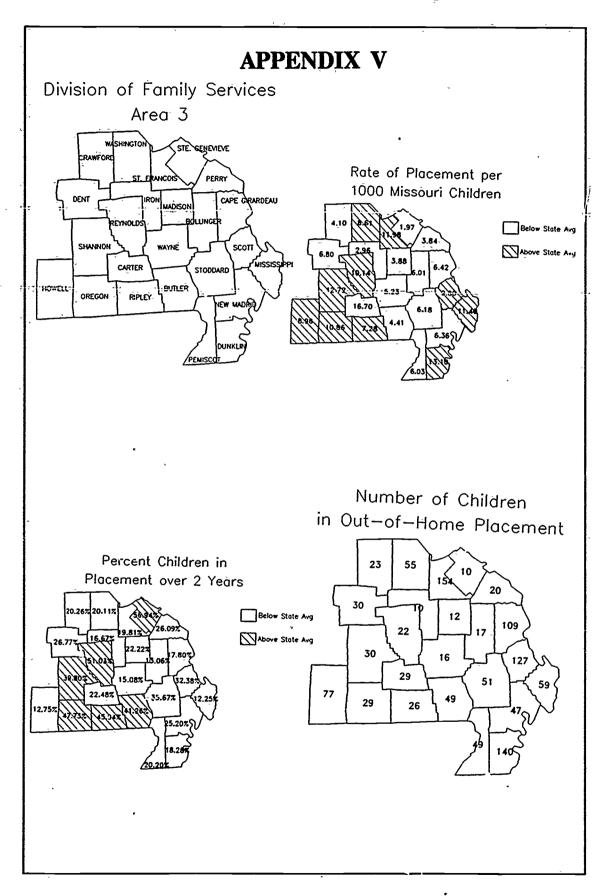




Figure D. Children Placed, DFS Area 4, Average FY86-88

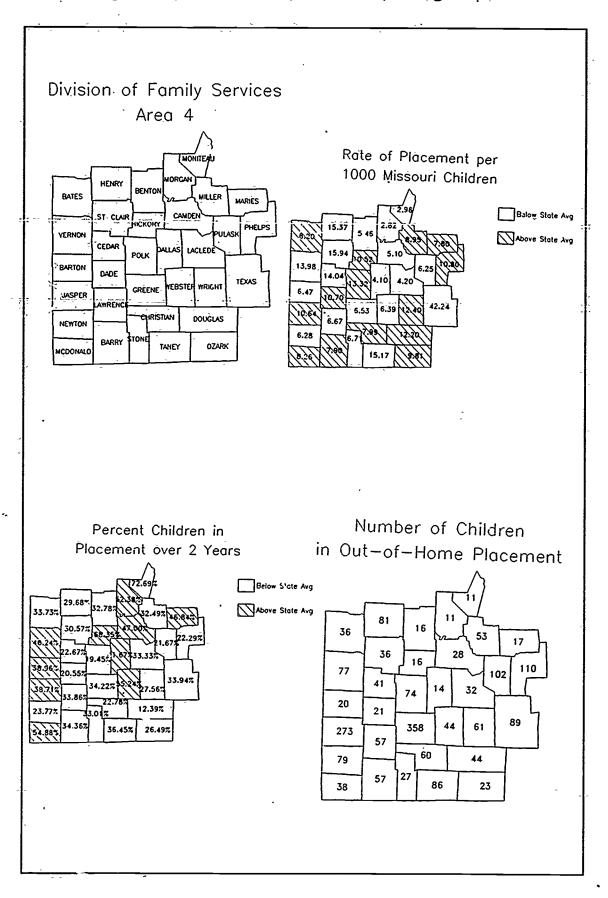


Figure E. Children Placed, DFS Area 5, Average FY86-88

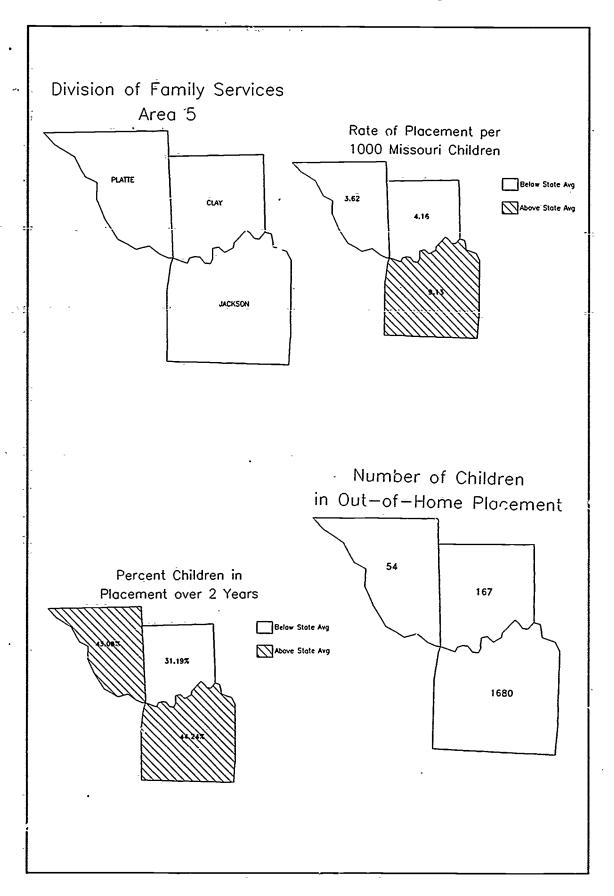
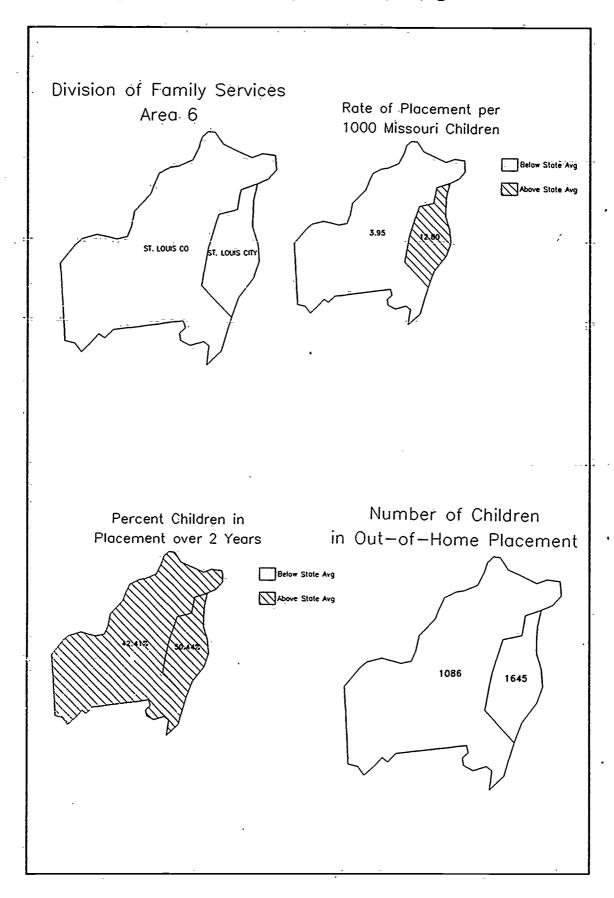




Figure F. Children Placed, DFS Area 6, Average FY86-88





# APPENDIX V Comparing Family Preservation Services and Traditional Protective Services

FPS	<u>Characteristics</u>	Traditional
Family system dysfunction	Focus	Individual
Within 24 hours	Response to referral	Variable from days to weeks
24 hours a day	Availabilty for crisis	Limited access, principally days
Intensive 5-20 + hours per week	Amount of service level	Weekly or bi- weekly session
2-6 families	Caseload size	25 + families
Family's home	Location	Home/office
4-12 weeks	Length of service	Open Ended
Arranged immediately	Concrete service	Referrals - often delays
Family therapy skill building, problem solving	Treatment services	Mostly individual counseling with some referral for other services
18-24 families	Families served annually	20-30 families



# **APPENDIX VI A. Division of Family Services**

#### Children in Placement

- 10,280 children were in placement during FY88
- Nearly one out of two children entering DFS placement are age six and under
- 37% of the children spend more than two years in placement
- Foster Care placement decreased by 11% and Residential placements increased by 33% between FY85-88
- 25% of the children entering placement have previously done so. Children re-entering-increased 62% from FY85-88
- 43% of the children move two or more times annually while in placement

### Cost of Placement

- DFS spent \$58.5 million for out-of-home placement in FY88, a 23% increase in four years
- The total annual cost per child for Foster Care was \$11,424 and \$27,012 for Residential Care in FY88
- There was an 87% increase in Residential Care cost, and 10% increase in Foster Care cost between FY85-88
- Residential Care comprises 66% of placement costs while serving 21% of the children

### **Future Projections**

- The total annual cost of placement in FY93 will be \$84 million if there is no change in current trends
- The projected annual cost per child in Residential placement will be \$41,039 and \$12,599 for Foster Care in FY93
- The number of children in Residential Care is projected to increase by 62% and the number of children in Foster Care will decrease by 9% by FY93



# APPENDIX VI B. Division of Youth Services

### Youth in Placement

- 905 youths were in placement in FY88
- Slightly more than one-third of the youth entering DYS placement are between 11-14 years of age
- Over half of the youth entering DYS placement do so because of crimes against property
- 12% of youth are re-committed to DYS placement
- The average length of stay in DYS placement was 6.5 months in 1988

### **Cost of Placement**

- DYS spent \$8.8 million for youths in Park Camps, Group Homes and Regional Centers in FY88
- There was 22.6% increase in expenditures for DYS programs since FY85
- DYS spends between \$23,232 and \$28,792 annually for each youth in placement

### **Future Projections**

- The total cost for placement will be \$13 million by FY93
- The projected cost per youth will be approximately \$34,000 by FY93
- The number of youth served in Regional Centers is projected to increase by 20% by FY93



# APPENDIX VI C. Department of Mental Health

### Children in Placement

- 1,131 children were in placement in FY88
- Children in placement increased by 28% between FY85-88
- One out of the three children entering DMH are between 5-12 years of age
- Four out of five children in DMH placement are in Inpatient Care

#### Cost of Placement

- DMH spent \$15.1 million on out-of-home placements in FY88
- 77% of placement costs were spent in the Inpatient program
- The total cost for out-of-home placement increased by 64% between FY85-88
- The annual cost for a child in DMH Inpatient Care in FY88 was \$93,075
- The annual cost for a child in DMH Residential Care in FY88 was \$26,400

### **Future Projections**

- The projected annual cost of placement in FY93 will double to \$31 million if current trends continue
- The projected cost per child based on an average of sixty days in Inpatient Care is \$26,000 for an estimated 1,122 children by FY93
- The projected cost per child based on an average of fourteen months in Residential Care in \$45,000 for an estimated 476 children



### **NOTES**

- 1. Nelson, Douglas, Recognizing and Realizing the Potential of "Family Preservation". Presentation to the Edna McConnell Clark Foundation Grantees Conference, April 14, 1966.
- 2. Maximus, Inc., Child Welfare Statistical Fact Book, 1985: Substitute Care, U.S. Dept. HHS, Office of Human Development Services, No. 105-86-8110.
- 3. Ohio Department of Human Services, Children in Out-of-Home Care (Columbus, Ohio: Ohio Department of Human Services, 1987).
- 4. Status offenses are generally defined as those acts which, if committed by an adult, would not be a crime, such as truancy, runaway, etc.
- 5. Roos, P.D, Murphy, S. and Massey, O.T., The Children's Residential Services Study: Characteristics of Children and the Services They Receive, (Missouri Dept. of Mental Health, Nov., 1987).
- 6.Under H.B. 1171, et al., passed in 1984, the goal set for DFS is to have no more than 30% of the children in care for over two years.
- 7. These increases are slightly inflated for Residential Care and underinflated for Foster Care because, beginning in FY86, the room and board rate for residential children was no longer paid from the foster care line item.



### CITIZENS FOR MISSUURI'S CHILDREN

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## CITIZENS FOR MISSOURI'S CHILDREN

Citizens for Missouri's Children is a state-wide organization established to be an independent voice for children on those issues, polices, and government programs which affect their lives and about which they cannot speak for themselves.

CMC represents a pragmatic, effective approach to safeguard and to promote a better quality of life for our children. As a citizens organization, CMC's job is to bring together the public and private sector to develop a planned, systematic approach that will result in more effective and efficient public services for children.

### WHAT CMC DOES FOR CHILDREN

- Identifying problems facing children, assessing the impact and proposing solutions to decision makers and citizens.
- Informing citizens about current issues, the impact of policies, and proposing improvements via The Children's Chronicle and special reports.
- Providing technical assistance to legislators, community organizations and state agencies.
- Operating a clearinghouse on children's issues, spousoring conferences, forums and convening action groups.
- Analyzing and reporting on the performance of public systems delivering services to children.

Launched in 1983, CMC is a private tax-exempt organization supported by foundations, corporate grants, individual contributions and memberships. Missourians wanting to add their voice for children can contact Citizens for Missouri's Children for membership information

